G R S 58]
Previous references

File No 80—09

1909.
(Municipal

Serial Nos 9, 10, 21, 22
30 ~ 33

Later references

rel 10-09 27
rel 80-09(13,21,3,18,19)
Rel 223-48 -15 B Aug 16
" 107-16 83 1,2 4 B Jany (917)
" - 83 647 B July 917

GENERAL AND REVENUE SECRETARIAT

Serial Nos 9, 10, 21, 22, 30 ~ 33

Part B for Jan 4, 1911

SUBJECT

Audit of accounts and [redacted] of Municipal revenue in the Bangalore City Municipality

---

From the Presidt, Bangalore city Municipal Council, No 10 dt 11 09 States that C Ramanja, Ag Manager of Municipal Office has been suspended on 1 10 09 pending enquiry into his conduct in connection with [redacted] defalcations of Municipal revenue

To Do, No 4654 5 1 12 09 Requests him to [redacted] a copy of Mr K Audit report before the Special [redacted] or who now is auditing the accounts of the Bangalore City Municipal

GPB—5 000—22-10-10

21 From Do No 2495 4 5 10 Submits a [redacted] in regard to the allegations made against [redacted] and states that [redacted] has been reinstated

S 11] 1909-10

GENERAL AND REVENUE SECRETARIAT

(Municipal)

3341

NOTES.

File No. 80-09.

FILE HEADING

Audit of accounts and defalcations of Municipal Revenue in the Bangalore City Municipality

om

The President, Bangalore city Municipal Council.

No 109 Dated 6.11.09 Received 18.11.09.

ary No. 3341 | Enclos 1 | Spare Copies | Serial No 9

BRIEF ABSTRACT OF LETTER.

Submits a translation of the Audit Report for the months of June and July 1909 and states that C. Ramaiya, Acting Manager of the Municipal Office has been suspended from 18th October 1909 pending enquiry into his conduct in connection with certain defalcations of Municipal Revenue

NOTES AND ORDERS

The accounts of the Municipality are being audited by a special Auditor appointed by Government. His final report may be awaited and the Pres. asked to place this report before the Special Auditor. Draft ord. may be submitted.

20/11

18.11.09

22-11-09

2 Approved [Undesirable suspension is not satisfactory early action should be taken]

OTES—First sheet

26.5
27.11.09

P 1-12-09

Serial No.

3 Issue - If within a reasonable time, a report is not received, a reminder may be issued with the observation in brackets see the note above -

29-11-09 XIII)

10. To the President, Bangalore City Municipal Council No. 66548 1-12-09.

4. Requests him to place a copy of the Municipal audit report before the Special Auditor who is now auditing the accounts of the Bangalore City Municipality and to expedite the submission of the report promised in Sl.

21. From the President, Bangalore City Municipal Council No. 2493 4-5-1910

5. Submits a report regarding the allegations made against C. Ramiah, Manager, Bangalore City Municipality and states that for want of suitable appointment C Ramiah has been reinstated as Head Accountant of the municipal office. Also requests that Ramiah may be transferred to some other Department.

6. The gist of Ramiah's explanation is that the moneys in respect of which he is reported to have delayed remittance, were kept in the Municipal Treasury

NOTE—Contin. sheet.

GPB—10,000—27-4-09

Serial No

under "deposits" after being duly
Deposit Register. This Register is
and it is not reported under whose cus it
and under what circumstances
was and when it was found missedg.

7 Before considering the details of the audit
it is respectfully suggested that copies of the Dy
Comm[rs] report and its enclosures be sent
to the Special auditor also through the Asstt
and he be requested to submit his audit
report at a very early date.

Submitted for orders

Abn 8/5 1st Cr) 13 5-10 Mehd.
9/5/10.

8) This will take time
As C Ramiah has been retained
stated as Hd account mtl
by the President, we have
to see how far this can be
assisted by the facts elicited
in the enquiry Asstt Secy
tary will please go thro' the
papers & put up a note on
Mr N.
16/5/10

9 Draft calling for records is put up as per
verbal orders of the Asst Secy
Abn 18/5/10 18 5 10

Note—Contn sheet

GPB—14,000—27-4-09

R. S. 12]
General and Revenue Secretariat

Ml File No. 88 of 1909. 1148

Serial No.	
10	Please also ask them to the papers may be placed before the Municipal Council & their resolution submitted at an early date KBM 8/7/10 11 Revised draft submitted. Bbm sng 19/5/10 Issue 19-5-10 KBM
22	To the President, Bangalore City Municipal Council. No 10422 & 21-8-1910. 12 Calls for the Municipal Council's opinion and the records of the case.
30	From the above officer. No 55 & 26-8-1910 13 Submits the Municipal Council's resolution and the records of the case 14 The Municipal Council approve of the reemployment of C. Ramiah as recommended by the President and the grant of subsistence allowance during the period of suspension. Submitted for orders. KBM 5/9/10. Bbm sng 3/9/10

Note—Contin sheet

SPB—14,000—27.4.09

Serial No.

15. This case, a full report of which has been submitted by the Resident, together with the complete records connected therewith, discloses certain irregularities brought to light in the examination of the municipal accounts by the auditing Comptroller Mr. M.K. Krishnaswamy in the audit report for June/July 1909. These irregularities are mostly connected with the Conduct of C. Ramaiya during the time he acted as Cheetor, manager & accountant respectively. Briefly stated the charges against Ramaiya are as follows:

(1) Delay in crediting certain items of House-Taxes received & the Treasury

(2) Delay in crediting certain items of Site values received.

(3) Failure to account for the disposal of Rs 29-10-5 & Rs 59-14-2, drawn on account of compensation for land acquired.

(4) Omission to obtain proper returns. Lapses in the disbursement of salaries to municipal servants.

16. Taking these charges seriatim, the first charge points to four items of House-Taxes received in crediting which there was such an unusual delay

BPS—10,000—27-1-09

Serial No.

the whole transaction suspicious. Then in fact the Remittance (Rs 43-3-3) received from Tankeedara on 4-3 09 but credited to the Treasury on 22-7-09 - a period of over 4 months intervening. In explanation of the above irregularity the manager states that he received the amount by Regd Post partly in Currency Notes & partly in postage labels & that he had kept the labels cashed before he could remit the full amount to the Treasury, but that Shanbhag Ramappa to whom he entrusted the labels delayed for 3 months to get them cashed & meanwhile through pressure of Collection work he forgot all about the money till he himself discovered his mistake while Scrutinising the Kudwa Baki Patty. As regards the Currency notes & the value of Rs 40 odd received with the labels, he states that he left them in the custody of the Sheristadar in the Cash Chest under "amanath." The Sheristadar admits that the amount was left in the Chest under his charge till Ramaiya who was then acting as Collector reverted as manager again (22-3 09) When, he took back the amount with him without crediting it to the Treasury for nearly 3 months afterwards. There are two statements, one

Revenue

File No. of 190

Serial No

Shroff and the other by Ramaiya each able the vendor as to the veracity of the Statement. The Statement of the Collector mg. Krishnarao the amount was not held in deposit in the municpl. Treasury has to be taken for what it is worth. Krishna Rao does not the an official of an exemplary Character either (vide, red pencil remarks by Vice presdt, Sl. 3 municpl. records). The strained relationship between Ramaiya & Krishnarao has been noticed not only by the Presdt in his memo, but also by the Revenue Councillors in their review of the case. Under these circumstances it is hard to rely merely on KrishnaRao's Statement. Though there is no good ground to charge Ramaiya with having appropriated temporarily municipal money, still it is easy to see that the explanation offered by Ramaiya is more in the nature of a lame excuse than a real explanation. The delay is as reprehensible as it is suspicious.

17. The second item refers to a sum of Rs 13-13-0 received from Mr Pandurangu Narayan of the Basavanagudi extension on the 18th march 09 but credited in the b/

BPG—55,000—27-4-09

Serial No

receipt of the balance. It is needless to
that this statement also is unsupported
If Ramaya were really acting Conscientiously as
he would have acquainted the respondent
with the full details of the case but it is
he has not done so, his excuse being
pressure of work and consequent forgetful-
-ness of the many technical details.

19. The last item noticed in the
audit report is a sum of Rs 18-3-3 received
from the Rev Goodwin in crediting which
there was a delay of a week This is hardly
worth noticing as such delay is likely
to occur under stress of other work.

20 The Suspense account Register
which had been maintained for a long
time was misplaced on 27-1-09 & there was no such
register at all between 28-1-09 and 7-6-09
when a new one was opened By reference
to instance the new Register was opened, there
is nothing to inform, & why it was not
opened earlier it is hard to conjecture
During this period when there was no
Register, it would appear, that the Sheriff
had received & given back to the main
Kanam some items according to the usual
practice Non-production thus of

GPB—55,000—27 4.09

Serial No

from 15-8-03 to 12-11-03 each containing the entries of the three Nile-Post. Items 21, 22 & 23 of the Site values are to be found in this Register — A Similar Register of Stales, was maintained for the period Commencing from 12-11-03 & the Close of Dec. 1907. But this Register is not forthcoming, Ramaya alleging that it should have been mislaid while the Office was being disinfected owing to the death of the late Keeper of Plague, Where-as the records have been kept on the verandah, & the latter had to be kept in the verandah. The Question naturally arises as to how the deposit Register has been Caused to disappear. The Result is right in thinking that it would be presuming too much against Ramaya to suspect that he caused its disappearance This is not likely, for not only has Ramaya been made a Scapegoat for the loss but for during the abo time it could have served his interests to cause its disappearance, he was either under Suspension or not connected with the accounts Branch where normally the deposit Register would be From the memo of explanation Submitted by the Manager, & of the other

NOTE—Contn sheet

GPB—55,000—27 4.09

Serial No.

which sufficiently indicate the wrong work is carried on [illegible] in the Municipal Office, one is inclined to think, that it has been mislaid by the careless management of the office & the want of discipline among the officials. With a little more supervision such irregularities might be avoided. It may be urged that there may have been no such regular attack. This view however has to be rejected for want of proof. On the Contrary it is the presumed that it did exist as the Company Regr establishes the fact that in the ordinary Course of business such a register would have been maintained.

22 Thirdly, as regards the amounts due to Bhappa & Kotramma (Rs 57-4-2 & Rs 29-10-5, respectively), the parties have admitted having received their dues. When they received the amounts, neither of them has stated precisely. Kotramma says stamped receipt is not dated. Bhappa's receipt is not to be found. But it not for the fact that the parties admit to have had their claims satisfied and that defendants proof is strong, there could be no hesitation in re-

Note—Contin sheet.

the transaction as a temporary misappropriation
As it is, nothing will result from pressing the
Question further -

23 Lastly re. the disbursement of salaries to Municipal servants, there has been no Complaint against Ramaiya for non payment of salary. The discrepancies noted by the auditor are more or less due to irregular procedure & indifferent

24 Of all the charges the first seems to be of the utmost importance in dealing with the Conduct of Ramaiya There can be little doubt that if only a Surprise inspection of the Treasury & Cash Chest had been made during the period the items referred to in the charge were under "Amanath" Ramaiya's intentions and doings Could easily have been detected. But as no System seems to guide the working of the Municipal Office, one is only left to Conjecture without being able to substantiate There is nothing on record to show that he did keep these under amounts under "Amanath" in the Cash Chest, as there is nothing to show that he did not keep it there, save the Statement of the Sheriff, which the Bench Considers is unreliable for reasons Stated by

in his own

BPG—55 000—27 4 31

Serial
No

25 It appears therefore that the [illegible] of the advocate Counsellors that criminal proceedings even if taken would prove futile is right, & Ramaiya's Conduct departmentally. The Resident Assistant that the Suspension Ramaiya has undergone this suspension from manager Rs 707- & Head accountant Rs 607- is enough punishment for him, sufficient to teach him & the other Memph. Govt Officials a lesson. But it is to be doubted if the punishment awarded thus is adequate enough in view of the serious irregularities he has occasioned. The Resident himself suggests the desirability of removing Ramaiya from where he is to another situation at the earliest opportunity.

26. The very fact that Ramaiya has allowed his Conduct & the Govt Called in Question & allowed Suspicion & Distrust on him is enough to disqualify him from holding any responsible Office. Even [illegible] from the bare facts of this case, without [illegible] the previous Conduct of Ramaiya, one would be inclined to suggest his removal from Government employment & Such a Stringent view of the case does not seem to be called for, having regard to his

B1 G—5000—27 4-09

Serial No

Service of 20 years, of which, he says, 7½ were in the Cash Branch of the municipalities the good work done by him in collecting a large amount of arrears, while he was doing the duties of a Collector in addition to his own may also be considered in his favour. It is also to be taken into account that these irregularities are partly the result of unsystematic work & the want of supervision on the part of the higher authorities. In consideration of the above facts, the ends of justice & mercy will be equally met if Ramaya is removed from the responsible office of head accountant & placed in a less responsible and consequently less remunerative appointment, where he will have little temptation

BTK
15 9 10

B1 G—55 100—27 4-09

27 The report of Mr. M
Murthy Rao on the audit of the
municipal accounts made by
him discloses grave irregularities
and the explanations offered in
respect of them are by no means
satisfactory.

28 Of the irregularities noted,
one is that two sums of Rs 400
and Rs 150 for the supply of uni-
forms to the office peons and of
clothes for the Langarkhana people
were drawn and kept in deposit
and no expenditure was incurred
during the year for the purposes
for which these amounts were
intended. The explanation
offered is that the amounts were
drawn ~~for expenditure~~ and kept
in deposit for expenditure when
necessary and that they have
since been expended. Evidently,
they were drawn for fear they
would lapse and it was highly
irregular to have done so to meet
an expenditure to be incurred
in a subsequent year. Sec.

BPG—55,000—27-4-09

practice should be put a stop and the municipality steadily warned not to anticipate payments and draw moneys ~~but~~ draw them only when payments have to be made -

29 Several instances of delay in crediting to the Treasury the amounts recovered from parties on account of dues have been noticed. Four of these relate to municipal taxes and the remainder to the value of sites sold on the Basavangudi Extension One common explanation for all these delays is that for one reason or another, the amounts were kept amanath or on deposit in the Municipal Treasury and were subsequently withdrawn and adjusted. It is hard to believe this explanation and in certain cases, there is positive evidence forthcoming that it is not true -

30 What is meant by the amounts amanath is expla-

on the statement of Shroff Ramiah dated 28.9.09 (vide translation thereof in the Vice Presidents' memo dated 29th idem) and on seal of Krishna Rao dated the same day - ~~Where~~ The amounts so deposited were not ~~as~~ brought into the regular cash account of the Municipal Treasury but it is said that a separate register was maintained for the purpose (Vide ~~carrepter~~ Registers A & B ~~Carrepter~~ B is merely an apology for a regester) It is not clear whether the officials depositing the amounts ~~amanath~~ in the Municipal Treasury were receiving any vouchers for the ~~receipt~~ deposits or whether the Treasury was taking any receipts for the repayment of the same It was, to say the least of it, a most irregular and pernicious system, giving opportunities to various abuses and should be put a stop to at once, if it has not already been stopped.

Serial No

32 Of the four cases of delay in crediting to the Treasury the municipal taxes recovered, the amounts in two cases were recovered when b Ramiah was in charge of the ~~Treasury~~ Municipal Treasury - The Shroff of the municipal Treasury whose name is also Ramiah admits having received a small bundle containing money (a portion of the amount sent by Tawker and Sons) from b. Ramiah but says that he returned it to b Ramiah before the latter handed over charge of the Treasury - Krishna Rao denies that these two amounts were in the municipal Treasury Cumanatta. (vide his report dated 29th July 09 - ~~the~~ his statement seems nearer the truth -

33 The failure to credit Rs 5`7 odd recovered from Haji Syed Ismail - Ibrahim Sait which is the third case noticed by the audit

—Contn. sheet

GPB—50 000 - 18-5 08

Serial No

seems to be a clear case against C. Ramiah - This amount is proved to have been recovered by him on 4.6.09 the accounts having done so and says that it was kept amanath in the municipal Treasury - The burden of proving this is on him and there is not an iota of evidence in support of it - In the Hacha Amanath register opened just about that time, there is no entry shewing the receipt of this amount Accepted Krishna Rao who was in charge of the Treasury at the time denies having received it - The Sheriff also denies having received it In the state of feeling which is said to have existed between C. Ramiah and Krishna Rao, it is last likely that the former would have kept the amount amanath in the Treasury without securing some sort of voucher for it - Up to the date of this addl

It has been 1989 at 909

Contn sheet

Serial No

whether there was any such Register at all Nagpal Subba Rao who succeeded B Ramaiah as Head Accountant says that to his knowledge, there was no such Register, that the sums received for deposit used to be sent to the Municipal Treasury with only a Chalan and that pending this encurrement, he opened a small book on 26 2 08 (vide his report on the margen of B Ramaiah's memo dated 3 2.10 and his statement dated 19.2.10) The President gives a very good character to this official (Vide page 6 of his order dated 29.4.10) Then again Clerk D Venkatarao who was working in the Account department from Sep 1903 to Dec 1907 also says that to his knowledge there was no deposit register subsequent to 12.11.03 (Vide his statement dated 8 3 10). From the single circumstance that there

k produced) was a rough register for this purpose from 16 8 03 to 12 11 03 the President presumes that T

ORM—Contn sheet.

BPG—33,000—27-1-09

must have been a bound
showing subsequent deposits as
stated by C. Ramiah, but he
seems to presume too much. If
there was such a book, [illegible]
the Collector and the Sheroff should
have known of its existence
they have not been asked anything
about it - Mr. A S Nagarkar and
Mr. Krishnaswamy Rao are said
to have been scrutinising the entries
on it but no attempt has been
made to obtain any information
from them regarding it - In the
absence of proof that the moneys
were deposited in the Municipal
Treasury and were subsequently
adjusted, it would only be reasonable
to infer that the moneys had
been temporarily misappropriated
and the large number of cases of
delay and the long periods also
render such inference highly
probable - In Ramiah's memo
dated 10 3 10 and Venkata Rao's
statement dated 8 3 10, reference
is made to a deposit register

BPG—55,000—27 4-09

Serial No

was attempted to be written up
on Sept 1909. It is a question
whether it was at any time
intended to fabricate this
and pass it off as the one main-
tained for showing the deposits
of the values of sites. This is how-
ever only a conjecture.

35 In checking the account
relating to payment of com-
pensation, the auditor found
two sums of Rs 2900 and Rs 5-9
odd payable to Kote Muniswamy
and Obalappa to have been drawn
but not paid to the parties con-
cerned and observed that it could
not be ascertained where they
drawn or where they were kept.
The Municipal Office seems to
have a knack of misplacing papers
and registers whenever it suits
the officials to do so and bringing them
out again when it serves their
purpose. The two sums of
money referred to above were
drawn on the 10th Jan 1908.
b Ramaiah gives his usual

NOTE—Contn sheet

and general explanation which is his sovereign remedy for every kind of complaint, that the moneys were deposited in the Municipal Treasury as the parties refused to receive them and that they were subsequently drawn and paid to them. There is not a particle of evidence to prove that these amounts were deposited in the Mn Treasury or were subsequently drawn from there. The records connected with the compensation payable to the above mentioned persons were conveniently mislaid till the 29th March 1910 when all on a sudden, they were discovered with a ~~great~~ questionable receipt purporting to have been given by Mr Muniswami acknowledging the receipt of Rs 29 000. (Vide Sampange Ramaiah's report dated 29. 3 10) It does not appear whether any enquiry was held as to where the papers were till then and who was responsible.

Serial No

for having misplaced them and what the result thereof was Immediately after the alleged discovery of the papers, notices were issued to the parties and Munisami's statement was recorded on 2 & 10 and the statement of Nagappa, Obalappa's brother, on 13 & 10 - The receipt given by Munisami bears no date - He admits having given it out and says that it was given 6 or 7 months previously. If this is true, it must have come into existence about September or October 1909, subsequent to the audit report of Mr. Krishnamurthy Rao - It is said to have been written in the Taluk Cutcherry at Bangalore and the money also paid to Munisami there alone. It is not clear why the payment was made in the Taluk Cutcherry instead of in the Vice President's Office Obalappa's brother [illegible]

OTK—Contn sheet

BPG—58 000—27 4-09

Serial No.

admits having received payment and says that the payment was made ~~xxxxx~~ about one year previously in the Vice Presidents office and the Vice President was also informed. Mr. N Subba Rao must have been the Vice President then, but he does not bear out this statement - The trouble seems to be that the amounts had been misappropriated by Ramaiah and that ~~xxxx~~ when he feared exposure after Mr. Krishnamurthy Rao's audit, he squared up with the parties and made them admit having received payment - The parties should have been ~~xxxxxxx~~ examined in greater detail and the witnesses to the receipt also should have been examined, when the trouble would have become more apparent - The President's report shews a tendency to favour Ramaiah and let him off lightly notwithstanding "

General No

his assertion that in the interests of the municipality, he should not for a moment have hesitated to make an example of Ramaya by ordering his criminal prosecution, if there were grounds for doing so, but in regard to the compensation amounts, he is compelled to admit that "the proceedings are not above board". In these cases also, there seems to be sufficient grounds for directing Ramaiah to be prosecuted - Further enquiry may be ordered, if necessary -

36. The departmental punishment which the President considers sufficient to visit Ramaiah with shews clearly what the President's tendency is - Owing to the reversion of Krishna Rao as manager, Ramaiah had to revert as Head Accountant. This reversion cannot therefore be regarded as any punishment to him - Besides his suspension for seven months

NOTE—Contn sheet.

for the several acts of misappro-
priation of his being guilty of
which, morally there is no doubt
though there may not be
sufficient legal evidence forth-
coming, seems to be too light - He
does not seem to be a fit person
to be retained in the Municipality
37. The facts which have come
to light in this enquiry show that
the municipal office is rotten
and that it requires overhauling
and weeding out. Some of the
officials seem to have long
stagnated there, fallen into
evil habits and become bold
by having escaped detection
and punishment - Not only are
there grave irregularities in
the system of keeping accounts
and in the way in which they
are kept but there seems to be
wanting also proper supervision
and sufficient control over
the municipal cash and
accounts It is extremely doubtful
whether the Municipal Comm Ex

Serial No

realized their serious responsibility when they resolved "The Council approve of the reinstatement of Ramiah as recommended by the President, subsistence allowance being granted under the Codal Rules. On the whole, the state of Municipal affairs is regrettable Secy) 24 9-10 The

36 Note Continued. The sum of Rs 5·7000 recovered by C. Ramiah from Haji Syed Usman Ibrahim Sait is said to have been credited to the Treasury on 6 4-10. As to where the amount was till then and who produced it, there is no direct answer in the Vice President's reply received by us 8 P to-day but reference is invited to Ramiah's explanation, para 17. (Vide the Vice President's D O dated 28 9 10) - If the money was forthcoming in the Treasury, it could well have been credited much earlier than 6 4-10 and the delay till then for doing so is [illegible]

30 B

13 19

Dear Mr Wadsworth

Ltd Please refer correspondence ending the President's letter No 55 dated 26th August 1910 Municipal [redacted] Ramcah

In [redacted] file I find that information on one point is required to make the case clear

You say on 6 letter to Mr Mylne Rao 28th Septr 1910 that Rs 67/8 odd recovered Syed Usman Ibrahim in June 1909 was brought to deposit on the 12th October 1909' and was finally on 6th April 1910

I see from Collector his Rao's report dated 20th 1909 about this amount is such also about to be

" In para 17 of
the explanation Ramsay
Bank " pleading the
of the Memorandum
and and was, as above,
Treasury under

said Bank of Roman
and the Defend-
ants and 15 of this
Defendants was the money
belonging from ? Was
as the Treasury absolu-
tely (in the
knowledge) or was
produced by Ramsay as
agent of the Shareholders
Should be glad if Counsel
would make out as the Secre-
tary) at about 2 or 3 P.m.
as soon found as
mind, together with the
information in question
any papers bearing
thereon and also the Depositi-
ons in which the entry
was made

Yours

R S. 12]
-neral and Revenue Secretariat.

File No. of 190

Serial No

(39.A.

Confidential do No 28 A

City municipal office
Bangalore 15th December
1910

C.I

My dear Sir.

Yours do No 30- Confidential- of the 13th instant about municipal Head Accountant. C. Ramayya

I beg to state that, as Ex- -plained to you in person yesterday afternoon at the Secretariat, I called on Ramayya &

-rs—Contin. sheet.

BPG—10,000—2-4-09

Serial No.

by I have gone through the case with care and on the whole I gather the impression that Mr Scott Ramiah was somewhat hastily judged in being suspended before the allegations against him were closely examined. He appears to have been punished for the faults of a bad system of work in the municipal office. It is clear that it was usual to keep moneys in the so called mun[l] Treasury ie the cash box in the charge of the Collector as well as in the cash box in the charge of the Accts without duly entering them in the Cash book etc. That such a system was likely to lend itself admirably to peculation should have been evident on the slightest consideration. It is strange that it continued to exist for several years & it is doubtful if any one would have made greater the path of a dishonest official extremely easy for him

RPG—51,000—27-4-29

Serial No

+ was likely + inevitably to render even an honest official open to temptation & to suspicion well & ill-founded. It is strange that such a system continued unchanged for several years & it is even now not quite certain whether it has been entirely swept away.

43. To my mind there is nothing improbable in Ramiah's explanation that the sums of money which he was suspected of having temporarily misappropriated were really kept 'amanath' & only the account in the office cash book, and that the proper crediting of them was delayed owing to various causes. In the absence of any independent evidence of misappropriation I would not in the circs infer it from the mere fact that the crediting of the money was delayed & that the amounts were not entered in the deposit registers.

44. In a regular Govt Treasury for instance worked under strict

SPG—15,000—27-1-28

Serial No.

rules. any such evidence would strongly raise the presumption of temporary mis-appropriation but no such presumption can be made in the circs of this case.

45 A reference to Mr Nadig Subbarow's D.O. letter of the 15th Dec^r in reply to an enquiry made by me shows that in August of Ramiah produced the money (Rs 57-odd) about as in the cash chest. It is in regard to this sum that the suspicion of temporary misappropriation arose with some strength the ~~present~~ light thrown upon the incident by Mr Subbarow's letter goes to favour Ramiah's innocence.

46. As stated already there seems to be nothing to show any criminal intention on the part of Ramiah & the opinion of the Muni Council & the President that he may be reinstated (he has been already) & given subsistence allce until the

Serial No

period of suspension may well be accepted as correct.

47. Judging from probabilities also it is very unlikely that Ramiah who was at the time investigating a serious defalcation & who knew that there were several people jealous of him or hostile to him on that account would have himself committed a misappropriation of a small amount.

48. It is admitted that he did excellent work while acting as Collector & even afterwards in recovering a large amount of arrears of revenue.

[illegible]

1st C

CBB
17/12/40

17/12

Serial No.

intelligent man with considerable experience of the ways and methods of work in the Municipal Office and he should have avoided giving rooms for such complaints.

There are no grounds for Govt to interfere with the action of the Municipal Council and its President. The communication may be recorded, but suitable instructions should be given to render the continuance of this state of things impossible

20/1/10

Please peruse a brief draft orders.

21/1/10

Draft passed on the lines of the last para of the 1st Councillor's order (19) is put up. The question of transferring a (less responsible post as) Ramanuja to some other Department, proposed by the President has been left out as no orders were passed

3/1/11

Q

Note—Contin sheet.

G R. S. 12]
General and Revenue Secretariat

File No. 87 of 1939

1148

Serial No.

subject.

The 1st Councillor's observation "I cannot absolve him from all blame in connection with these irregularities" has not been included in the draft in view of the last para of the Council order.

Submitted

Secy) 6/11

Draft submitted to SR

9/1/11

1940
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Approved

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Issue

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10.1.11

33 To The President Bangalore City Municipal Council & the Comptroller No. 6039-40 dt 18.1.11

Return Records the correspondence ending with SR. 30. & Observations Request to the President

Note—Contn. sheet.

GPS—50,000—19-8-38

OFFICE OF THE MUNICIPAL COMMISSIONER, Council

City Bangalore, 16th November 1909

No 109/Secl One

D 33341

FROM

THE PRESIDENT,
Municipal ~~Commission~~, Council,
Bangalore City

To

The Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments, Bangalore.

In C No 80 of 09
5 C 9

SIR,

I have the honour to report that Acting Manager C Ramaiya has been placed under suspension from the 1st October 1909 pending enquiry into his conduct in connection with the alleged defalcation of some items of Municipal Taxes discovered durirg the audit of the Municipal Accounts for the months of June and July 1909 A translation of the Audit Report is enclosed for reference The matter has been placed before the Council Further report will follow

I have the honour to be

Sir,

Your most obedient servant,

President.

hdc

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Translation of Audit Report for the months of June and July 1909.

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1. The P.W.D Sub-Overseers draw a horse allowance of ₹15 a month. Their certificates show that they have kept cycles. In the Health Department such of the Sanitary Inspectors who keep cycles are paid ₹10 a month. The rule seems to be that those who keep horses should get ₹15, while those who keep cycles ₹10 only. So, these officials drawing ₹15 seems to be irregular.

2. There is no plague in the City at present Nevertheless, destruction of rats is not stopped. Nearly ₹500 is spent on this head every month. Is such a heavy expenditure necessary even when there is no plague?

3. It seems that the pay of the permanent gang is drawn every month on the 16th or 17th and disbursed till the 25th. It is very unfair Arrangements should be made to pay these poor servants as also the Municipal Sweepers within the 5th of every month as in the case of other servants, at least during the present season of scarcity

4. Voucher No. 165 dated 29-6-09 shows payment of ₹ 26-10-0 on account of the balance of the value of cloths purchased for distribution to the recipents of Langarkhana charity. When were the cloths purchased? Why was payment delayed so long? These details are required.

5. Voucher No. 245 refers to the purchase of Khaki Drill It shows that the estimate was for ₹499, that out of which ₹447-5-0 was paid for water proof khaki drill and ₹42 for the screen ribbon and ₹9-9-6(Voucher No 308) for canvass. For what purpose the purchase was made and why the cost exceeded the estimate and why the matter was not placed before the Council is not known.

6.

6. Voucher No. 310 for ₹400 and No. 311 for ₹150. These 2 vouchers show that ₹400 on account of uniforms to the Office peons and ₹150 on account of cloths for the Langarkhana people are drawn and kept in deposit. Where was the necessity for keeping such a large amount in deposit? There was no expenditure during the year in the budget for which it was provided The object of drawing the money and keeping it in deposit in this way at the end of the year is not known. I am of opinion that the deposit account itself is not properly kept.

7. Cheque No. 14 refers to the drawing of Vice President's pay at ₹500 plus 14-8-3 (from 23rd to 31st May on account of the increment of pay sanctioned). There is no provision for this in the Municipal budget. The Council has not sanctioned it The procedure seems to be irregular. When there was a full-time President, the pay was only ₹500. Now we have to pay ₹650. Do we require such a highly paid Vice President?

8. As accounts were not furnished for Audit in July, this Audit Report refers to two months.

At the last month's meeting, I had informally made known to the Council that having come to know that the amount sent by Messrs Tanker & Sons of Madras on 3rd March 1909 was not credited. I opened correspondence with them on the 3rd August 09 Subsequently-that is on the 23rd idem- the amount was credited Although one Pandu Ranga Narain potnis sent by Money Order Rs. 13-13-0 on the 11th March 1909, a notice of demand was issued to him on the 2nd June 1909. His brother having informed me of it, I made enquiries in the Municipal Office. Subsequently, that is on 16-6-09, the amount was credited Now I bring to notice another instance of defalcation

A sum of ₹57-9-7 paid by Mr. Hajee Syed Usman Ebrahim Sait in the I-Division-I-Block on the 4th June 1909 still remains not credited. Also ₹18-3-3 paid by Rev Goodwill on the 20-6-1909 was credited on the 26th June 1909 I communicated this to the President by means of a letter on the 19th August '09.

9 I had heard a great deal about the existence of such irregularities in this Municipality . The above mentioned cases having convinced me of it, I felt a desire to make a test audit of the accounts of some of the Branches of the Municipal Office, and accordingly wrote to the Vice President on the 7th August last requesting to permit the officials to furnish me the accounts On the 8th Idem he gave me a reply complying with my request Then, from 12th August up-to-date, I made a test audit under several heads Out of the many irregularities I noticed, I have appended below some of the chief items, having omitted the minor points

10. Result of checking the Register of the sale of sites in the Basavangudi Extension.

- - - - - -

(a) Sites Nos. 70,71 & 73 were sold to one Subbaraju for ₹163 on 12-3-1906 The deposit of ₹50 paid by him on that date was credited 3 days after The balance of ₹132 which was received on 26-3-06 was credited on the 25th October 1907 There was a delay of 1 year and 7 months in crediting ₹132

(b) Sites Nos. 213 and 214 were purchased by one Prasanna Chari in auction for ₹135 plus 113- ₹248 on 30-4-1906 The deposit of ₹62 received from him on that date was credited on the 3rd May 1906 Out of the balance, ₹150 was received on the 2nd July 1906 This, together with the remaining balance of ₹36 viz., ₹186, was credited on the 25th October 1907 There was a delay of one year, 3 months & 23 days

(c) One Krishnaji Narasimha who had taken up site No 69 in Block No VIII, died without paying the house-building advance The site was therefore put to auction One Mr K Srinivasa Rao purchased it Out of the sale value, he sent ₹80 with a letter to the Vice President on 22nd January 1904 The receipt of the amount was acknowledged by C. Ramaiya But it was at

credited. Afterwards, the amount was somehow credited on 22nd September 1904 as the entries in the Receipt Book show. There was a delay of 8 months in crediting this amount.

(d) Sites Nos. 83 & 84 in Block III were sold for ₹92 on 6th April 1906. The deposit of ₹23 received on that date was credited on 11-5-1906, that is, after a delay of one month and 5 days. The balance of ₹69 which was received on 11-5-06 was credited on 31-10-1906, after a delay of 5 months & 20 days

(e) Sites Nos. 140, 142 & 143 were purchased by Mr. Viyapuri Chetty for ₹307 on the 20th April 1907 The deposit of ₹100 paid by him on that date was credited on the same date. The The balance of ₹207 which was received on the 6th May 1907, was credited on the 25th October 1907, that is, after 5 months & 19 days.

(f) Sites Nos. 238, 239 & 240 were purchased in auction by one Sundraraj Ammanni for ₹241 on 15-6-07. Deducting the deposit of ₹₹61 received and credited on the date of sale, the balance of ₹180, which was received on 1-7-07, was credited on 25-10-07 after a delay of 3 months & 24 days.

(g) Sites Nos. 28 & 29 were purchased by Gulam Mohamad Meccai for ₹137 on 16-1-04. The deposit of ₹35 received on that date, was credited on 18-4-04, after a delay of 3 months & 2 days.

(h) Sites Nos. 210 & 211 were sold to one Nanjamma for ₹112 on 12-12-03. She paid a deposit of ₹30 on the same date. The deposit as well as the balance of ₹82 was credited on 8-2-04. The deposit was thus credited after a delay of one month & 26 days from the date of payment. The sale having been confirmed on 19-1-04, the amount was credited 20 days after the confirmation.

(i) Site No. 97 in Block III was purchased by one Kaderappa for ₹40 on 10-12-04. The deposit of ₹13 paid by him on that date was credited on the 14th Decr. 1904. The balance of ₹27 received on 19-1-05 was credited on 27-2-05 after one month & 9 days.

(j) Bungalow Site No. 9/2 was sold to one Abdul Gaffur for ₹560 on 15-8-03. The deposit of ₹140 paid by him on that date as well as the balance of ₹420 was credited on 17-9-03. Crediting of the deposit was delayed one month & 2 days.

(k) Site No. 11/8 in Block 4 was purchased by one Syed Gows for ₹497 on 19-9-03. The deposit of ₹125 paid by him on that date was credited on 14-10-03 after 27 days.

(l) Site No. 2 in Block 4 was purchased by Mr. Ponniah for ₹270 on 15-8-03. The deposit of ₹70 paid by him on that date was credited on 3-9-03 after 18 days' delay.

(m) Sites Nos. 260 to 264 were purchased by me (Krishnamurti Rao) for ₹242 on 4-6-07. The deposit of ₹65 paid by me on that date was credited on 18-6-07 after 15 day's delay.

11. I have left out many more instances of delay in crediting the site value. The next item of account I checked was that relating to payment of compensation. This account is not properly kept. I no Branch account showing receipts and disbursements under each head is maintained

Kote Munisami	Rs. 29-10-5
Oblappa	" 59 --14-2

These amounts have been drawn from the Treasury, But not paid to the parties concerned. When they were drawn and where they are kept cannot be known.

12(a) Conservancy Supplemental-Bill.

- - - - - - - -

November

Kumaraswami Moodr -₹38-6-8-only the receipt stamp is affix -ed, but no signature of the official in the Acquittance Roll for having received payment.

(b) January 1907.

Narain Rao-Allowance-	₹.	1-2-7
Narain Prasad -do-	"	0-6-2

These items do not seem to have been disbursed.

(c) December 1906.

Narain Rao-Allowance-Re.		1-8-0
Narain Prasad-do-		0-8-0

No signature in the Acquittance Roll. These amounts do not seem to have been disbursed

(d) December 1906 and January 1907.

The salaries of Nrasimiah and C. Narain Rao for these months drawn in the respective months, are noticed to have been paid to them on 9-9-07. It is not known where the money was till then

(e) February. Sweeper Raghava's pay ₹6. No signature

(f) March, April, May & June 1907-pay of Narain Rao-found to have been disbursed to him on 27-8-07 It is not known where the money was so long.

(g) June 1907 - III-A-Division Venkatasubbiah-pay Rs 7-8-0
VI-Division Krupal Singh do 7-8-0
Slaughter House Sweeper Veera-bhadrappa do 4-10-8

No signatures in the Acquittance Roll

(h) July 1907 - Pay of Narain Rao, ₹6 paid to him on 27-8-07
Where the money was till then is not nown
I-Division-Kolar Muni, pay ₹0-15-6 @ ₹6 per month
No signature and no remark

13 Head Office - Acquittance Roll.

(a) September 1903 Peon Krishna Sastri-pay ₹6 No signatur
October 1903 do -------do -do contains the remark paid by me "H.S "
November 1903 Munisamy Raju acting for Krishna Sastri There is the X mark with the entry "Mark of Munisami Raju"
December Munisami Raju-pay ₹6 There is Munisami Raju's own signature in Kanarese as G Munisami Raju
January 1904 Munisami Raju-pay ₹6 There is the X mark with the entry that the mark is of Munisami Raju
February Munisami Raju's pay ₹6 No signature
March Krishna Sastri ₹3-1-6 No signature
April do ₹6 — No signature.

Pay. Krishna Sastri- ₹26. There is Krishnasastry's own signature.

January-Munisami Raju's pay for 16 days-₹3-1-7. He has himself signed.

(b) November 1903. Garden Munisami is struck off and altered to Muniappa, pay ₹3-9-7 is struck off and changed to ₹4. There is the entry "Paid by me". It is not known whom "Me" indicates.

(c) February & March. Krishna Sastri. No signature in the Acquittance Roll.

(d) July 1904. Kariyappa-peon-pay ₹7. No signature.

(e) September 1905. Lakshmana Rao, Peon, pay ₹7. No signature
October do do do Re.0-14-5. There is the remark 'PAID' to his wife.

(f) March 1906. Gows Peer-pay Re. 0-4-7. No signature.
Munivenkata-pay ₹2-14-5 do
April. Head Gardener Devappa-pay Re. 0-12-10 do
August Munisami-pay ₹7. No signature.
September. Aralappa Pillai There is his initial, but no stamp.
December. Jacob and Kala. No signature in proof of disbursement of pay.

(g) June 1907. Head Office Kempa-pay ₹7. No signature.
August " Veerabhadra Chetty-pay ₹30. Aralappa Pillai Pay ₹25. The signatures of these 2 are on one stamp.

14. Proper acknowledgments do not seem to be taken when pay is disbursed to menial servants. Against the name of every menial, the word 'PAID' is entered with initials. By this, it cannot be fully believed that disbursement is made to the party concerned. If all the menial servants including sweepers are taught to write their names and induced to take their pay only on putting their signatures, there will be no scope for fraud. I have intimated this matter to the Health Officer also.

15. I began to check the amount of conservancy cess collected & credited. The accounts showing collection of the 4th & 5th

Divisions had been taken away by the Auditors of the Comptroller's Office The Treasury Remittance Book was said to have been left somewhere by late Varadaraju. So, I was not able to proceed. Recently, the said remittance book was obtained and secured in the office under seal.

While checking the accounts that were available, I found the following discrepancies:-

1907	Collection	Remittance
August	9-6	190-3-9
September	228-15-6	143-6-4
October	265-10-9	227-6-0
November	197-12-0	214-5-0
	Rs. 896--9-0	775-3-3
	Balance Rs	120-13-6

If the collections for the 4th & 5th Divisions are also taken into account, it may be presumed that nearly ₹400 to ₹500 must have been misappropriated

While so much has been noticed in the Test Audit itself, there is no knowing how much more could be discovered in all branches if all the accounts are thoroughly scrutinized All this will show that owing to want of proper supervision, defalcations are going on on a large scale as evidenced by the several cases noted in the Appendix Therefore, it is very necessary to rectify matters and take needful measures to safeguard the public money for the future at least

Defalcations are due to following causes -

The officials having stuck on to the Municipal Office for a long time, receiving in the Account Branch any money due to Municipality, want of check on the day's transactions on the very day and omission to maintain proper accounts Unless, therefore, all the officials are transferred and the office reformed by introducing the system of accounts in force in Taluks with necessary responsibility and supervision, there seems to be no scope for rectification

J B To be included in the Audit Report proper

112
05

File No [redacted]

Serial No 10

No of letter replied to 3341

and Revenue Secretariat
(Municipal
, the 190

No 4654
ml 80-09-10
dy 1-12-09.

To

The President, Bangalore city
Municipal Council

of issue 1-12-09

by DAV & KM.

His letter No 10986 11 09 submitting a translation of the Municipal audit report for the months of June and July 1909 and stating that C Ramaya Acting Manager of the Municipal Office has been placed under suspension from 1-10-09 pending enquiry into his conduct in connection with certain defalcations of Municipal revenue.

Referring to the above has the honr to request that the Pres[t] will be so good as to place the above audit report before the Special Auditor who is now auditing the account

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SUBJECT

D/4 rc

B.M 108]

OFFICE OF THE MUNICIPAL ~~COMMISSION~~ Council

City, Bangalore, 4th *May* 1910

No 249
Enc Seven Enclosures

From

THE PRESIDENT,
Municipal ~~Commission~~, Council,
Bangalore City

To

The Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments,
Bangalore

Sir,

Reference - Your docket No 4054/M1 80-09-10 dated the 1st December last and subsequent reminders, calling for further report in regard to alleged defalcations of Municipal revenue by the late Manager C Ramaiya and requesting to place a copy of the Audit Report before the Special Auditor.

I have the honour to state that a copy of the Audit Report has been placed before the Special Auditor as directed, and in respect of the defalcations I beg to submit herewith copy of an Order passed by me setting forth in detail the different charges made against Ramaiya and my finding thereon

2 The shortcomings brought to notice seem to have been due to the maintenance of two registers-one called the temporary Deposit Register and the other-the Suspense Account Register contrary to the Treasury Rules These have been discontinued and the instructions contained in Government Proceedings G280-9 271-08

Memo.

Mr. Nagadi Karnick Krishnamurti Rao, Municipal Councillor, brought to notice on 25-8-09 what he considered to be defalcations of Municipal Taxes during his examination of the Municipal accounts for the months of June & July 1909. This Memo. deals with 4 items of this year out of several others relating to past years.

The allegations have to be explained mostly by Manager C. Ramaiya as they relate to the periods when he was acting Collector, Manager, & Accountant respectively. As 3 items relate to the period when he was Manager, it seems due to explain under what circumstances Ramaiya who had generally nothing to do with monetary transactions, came in contact with the recovery and disposal of taxes.

It may be within the knowledge of the Council that a heavy case of defalcation in No. V-Division came to light, that it ended in the conviction of the Shanbhog concerned and that as the defalcation extended over years, it was found necessary to ascertain the extent of it by careful investigation.

As Ag Collector Krishna Rao could not with propriety be entrusted with this investigation, some other responsible official with knowledge of accounts had to be selected. The services of 2 Auditors were applied for. Unfortunately these could not be had in time. But the enquiry could not be postponed, a report having been called for by Govt. The choice had to fall necessarily on Manager Ramaiya who was Accountant in the Municipal Office & seemed to possess some capacity for executive work, having acted as Collector for 3 months.

His investigation was commenced in the middle of February. Being the collection season and the arrears being very heavy, the City was divided into 2 Circles to facilitate collection & to supervize the work of the shanbhogs between acting Collector Krishna Rao and Manager Ramaiya. The latter bore the brunt of the work, as he had to hold the investigation in connection with the defalcation in addition to his own duties as Manager. He worked very hard for about 6 months and it may be said to

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the regisper kept for the purpose as it had been mislaid The Manager sent some amounts to be kept amanath and got them back What amounts they were I cannot say The mislaid register was found out at the end of July In the place of this register, a kacha book was opened from 8-6-09 I have produced this book also In the interval i e between 21-6-09 and 7-6-09, when the 1st register was mislaid and the 2nd register had not been opened, some items were received and given back I am not aware of any rules against keeping of such money in the treasury without shewing them in the books prescribed by the Treasury Rules"

It will be seen from the above that this suspense account had the sanction of usage from the time of Mr Nagavkar

Now to the four items in question -

Item No (1) Rs 43-3-3, house tax remitted by Messrs Tawker & Sons from Madras for his house in Malleswaram

This was received by Registered Post on 4-3-09 in 40 Rs currency notes and Rs 3-3-3 in postage labels It was credited to the Treasury on 22-7-1909 The explanation of the Manager for not crediting the amount then and there is that he had to get the labels cashed before the full amount could be remitted to the Treasury, that the labels were handed over to Shanbhog Naranappa to be converted into cash, that the latter took 3 months to get them cashed, that thro' press of work, he forgot all about the money, that he had left it with the Shroff in the Treasury under "Suspense Account" and that he had also mentioned the fact of the receipt of the tax to the Sharbhog concerned Ramaiya is supported in his statement by the Shanbhogs and the Shroff The latter has acknowledged the receipt of the amount in the Head Office Issue Book and states that it could not be shewn in the suspense account as the register had been mislaid at the time He, however, adds that the Manager took back the money as soon as he ceased to act as Collector i e prior to 25-3-09 The covering letter with which Messrs Tawker & Sons remitted the tax is not forthcoming It was the Manager that received this letter and he is said to

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Item No (2) ₹ 13-13-0, house tax paid by one Panduranga Narain Potnis residing in Basavangudi.

Received on 13-3-1909

Credited on 15-6-1909

The explanation on this point is that there was an application for water connection by the tenant and not the landlord as per rules, that the delay was due to the correspondence with the latter who was outside Bangalore and that the amount was with the Shroff in the Suspense Account The Shroff denies receiving this amount and there is nothing on record in support of the allegation of the Manager

Item No (3) ₹ 57-9-7, house tax paid by Hakim Syed Ibrahim Saib

R e c o v e r e d on 12-6-1909

This amount has yet to be credited to the Treasury

The allegation of the Manager, that this item was under suspense account is equally unsupported His explanation for not crediting the amount is that it formed portion of the house tax and the house-owner demurred to pay the balance which amounted to ₹ 28-12-10 and that he (Manager) forgot to bring the matter to my notice and obtain orders thro' over-work

Item No (4) ₹ 18-3-3 house tax paid by Rev Goodwill

Recovered on 20-6-1909

Credited on 28-6-1909

This is not worth noticing as such delays may occur when the collection work is heavy and is going on briskly Besides, the Shanbhogs were allowed to attend office twice a week

As already stated, Ramaiya had very heavy work and it is quite possible that the taxes in question escaped his attention But where were these amounts? If Ramaiya had taken care to secure written proofs for keeping them in the Treasury & getting them entered in the register kept for the purpose, there should have been no reason whatever to call his conduct in question As it is, he has failed to advance any evidence in [illegible] t c

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his statement Even Item No (1) which the Shroff admits to have received into the Treasury is stated to have been taken back

I therefore think it better to place Ramaiya under suspension at once, and as the Council commands the advantage of securing the advice of leading Advocates among its own Councillors, I would suggest that the papers may be referred to them for opinion before final orders are passed

29-9-1909.

Sd. N Subba Rao,
Vice President

APPROVED

Sd B J. Kumaraswami Naik,
President

30-9-1909.

COPY

President.

E X P L A N A T I O N

The taxes of previous years had fallen into arrears to a very large extent The acting Collector having taken 3 months privilege leave, I was appointed to act for him I took charge charge of the Collection Department on 23rd December 1908 and held that post in addition to my duties as Manager of the office till 25th March 1909

2 During the period of 3 months I acted as Collector Rs. 20130-5-0 were collected as against a total sum of ₹ 27581-14-5 collected during the preceding six months, commencing from 1st July 1908 The figures classified according to years are given below -

Collection on account of arrears	Collections for 6 months from 1-7-08 to end of December	Collections for 3 months from 23-12-08 to 25-3-1909
Up to 1905-06	2282--4-10	2786-11--4
For 1906-07	3557--1--2	1040--4--9
" 1907-08	19948-15--2	3273-10--8
" 1908-09	1148--9--3	13029-10--0
Total	27581-14--5	20130--5--0

3 While I was thus discharging the combined duties of Collector and Manager of the Office, I was also directed to collect statistics and determine the extent of defalcation made by Shanbhog Rangappa of the V-Division I commenced this work in the middle of February last by visiting each house and collecting receipts from the tax-payers By the time I was relieved by the acting Collector i e on 25-3-1909 , I had secured receipts granted by the Shanbhog to the extent of over ₹ 6000 but not credited to Municipal Funds

4 The results achieved during this short period were deemed so satisfactory that even after the acting Collector resumed charge of his duties on 25-3-09, as stated above I was directed to continue to supervise the collections in half the City comprising 4 Divisions and complete the investigation as regards the extent of defalcation

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addition to my legitimate work as Manager of the office

5 During this period the collections made by me amounted to ₹29961-0-11 as against ₹17491-5-7 collected by the acting Collector during the same period in the Circle noted below -

Months	Amount collected by the acting Collector.	Amount collected by me while on collection work
April 1929	4841-11-7	6029--3-11
May	5094--9--1	10934-12--4
June	8155--0-11	12997--0--8
Total	17491--5--7	29961--0-11

6. The further investigation into the extent of defalcation during the above period disclosed an additional sum o ₹1471-3-6, thus bringing the total amount defalcated to ₹7471-3-6 up to end of June last.

7 From the above, it will be seen that the total amount collected by me during the short time allowed to me was ₹57505-9-2 inclusive of ₹7471-3-6 traced as defalcated by Shanbhog Rangappa while that collected by the acting Collector during the whole year amounted to ₹45073-4-0

8 So far my work was more satisfactory than that of the acting Collector & this coupled with the fear that the di - closures regarding the extent of defalcation which I was investigating would involve those directly responsible for such a serious loss to the Municipality, naturally resulted in ill-will towards me resulting so to say in a conspiracy the main object of which was to cut short my further labors in the investigation of the defalcation & in short putting me out of the way of all work connected with the Collection Department

9 I note below the above not as any explanation but in view of placing before you all the facts connected with myself with reference to the charges advanced against me Para 10 of the Audit Report 10 The sums of - - - from Messrs Ta er ons of Madras and ₹15-1 -0 fr

Mr Pandu Ranga Narayan of the Basavangudi Extension, both on account of taxes were received by me on 4-3-09 and 11-3--1909 respectively, while I was acting as Collector of Taxes. The amount in the 1st case came to me in a Regd Cover in 40 Rs Notes and in Postage stamps of the value of ₹3-3-3 duly entered in the Refer Book of the Head Office Acknowledged the amount in the Refer book and the Shroff also has acknowledged the entry The stamps were taken by me and given to Shanbhog Naranappa for converting the same into cash and the Shroff who had acknowledged the receipt of the amount was asked to keep the money in the chest until the stamps were cashed to enable me to credit the full amount to the proper head Intimation of the receipt of the amount of taxes from Messrs Tawker & Sons of Madras was also given to the concerned Shanbhog (Narasimha Sastry) for note Some days after Naranappa told me casually that as all except one were stamps of the value of one anna each there was no demand for the same I asked him to try his best and dispose of the stamps as early as possible without paying any serious attention to it Soon afterwards the acting Collector joined his duty and I reverted as Manager on 25-3-1909

11 This item naturally escaped from my memory and nobody reminded me of it, till I myself found it out while scrutinising the kulawar Baki Patty after closing the accounts for June last, about the 3rd week of the following month On noticing this item I at once recovered 3-3- from Shanbhog Naranappa obtained ₹40 from the chest in the Treasury through the Shroff and had the full amount credited to proper head through Shanbhog Narasimha Sastri on 22-7-1909

12 In the 2nd case also the amount was received by Money Order The sender, in the Money Order Coupon referred to office for details to his petition separately posted Pending the receirt of the application, which I [illegible]

to my hands when the Money Order was received, the amount, as in the previous case, was passed on ~~xxx~~ to the Shroff for being kept in suspense On 12-3-09, the petition was received. The applicant represented that he was put to great inconvenience for want of water and therefore prayed that the tax on his house might be raised so as to make it eligible for house connection and his case recommended to the water Supply Department for granting house connection

13. Another gentleman named Mr Narasinga Rao came to office on the following day on behalf of the owner and desired that the matter should be expedited He was given the usual printed form and requested to obtain in it the signature of the owner of the house The gentleman said that the owner was not in the station and if the owner's signature was necessary, he said he would send it to him by post and get it back. He volunteered to sign the printed application form but as the case involved the permanent enhancement of taxes, he was told that the owner's approval was essential The gentleman was at the time told that there were 3 pies in excess of the amount remitted by Money Order which he received and acknowledged on the Money Order Coupon

14 On 15-6-09, this gentleman appeared in the office with the printed application form duly signed by the owner under date 1-6-09 The orders of the Vice President were obtained and the money Rs 13-12-9 that was, as usual, all the time under suspense, in the Treasury was got back & adjusted on 16-6-09 I beg to say in this connection that the Shanbhog of the Division had been, as in the 1st case intimate, as soon as the gentleman took the application form for getting it signed by the owner, that the taxes with regard to the house in question had been received and kept in suspense and that he need not demand the occupant for the same I ought he mentioned to me that he had taken note of it he latter, told me that he forgot the affair and distributed the de notice, which had been sent to him, by oversight I

in this connection, be permitted to state that the Auditor mentioned in the meeting that the items under question were credited only after (the Auditor) noticed the omissions and wrote to the Vice President. This I beg to submit is incorrect and as above explained the amounts were credited long before the Auditor wrote to the Vice President on the subject.

15 The 2 other items for which explanations have been called for are:-

(1) Rs 57-9-7 Taxes on the Bungalow owned by Mr Haji Ibrahim Sait in the Fort Road &

(2) Rs 18-3-3 Taxes on some houses in Dobbspet recovered from Rev Goodwill

Before proceeding to furnish explanation directly in the ist case, I beg to state the circumstances first.

16 The question of payment of water tax on the group of 5 Bungalows in the Hoskote or Fort Road had long been disputed by the owners owing to the absence of stand-pipes at prescribed distances in that locality Notwithstanding their protest the amount of water tax was being included in the demand every year but not a pie had been recovered This not only swelled the outstanding balances unnecessarily every year but also necessitated frequent references to Govt for writing off the amount from the accounts. The question of exempting the bungalow from water tax was still under the consideration of the Council The question also of providing additional stand-pipes in that locality was under correspondence between the Municipality and the the Water Supply Dept at the time In the meanwhile, the taxes for the year 1908-0 on Mr. Haji Ibrahim Sait's bungalow fell due I first sent the shanbhog to demand taxes but he returned saying that the owner, as usual, declined to pay water tax The Distraining Officer, the shanbhog and myself went to meet Mr Haji Ibrahim Sait The gentleman was absent but his Manager whom we met was demanded the taxes He

disputed to pay water tax and latterly declined to pay the other taxes also I then explained to the Manager that the question of putting up a stand-pipe at a reasonable distance from his bungalow was in correspondence and that his total refusal to pay other taxes was not sustainable I also suggested to him to pay the water tax under protest, if he felt aggrieved and asked him to pay the other taxes without any demur He completely declined to pay the water tax and offered ₹ 57-9-7 against a total demand of ₹ 86-6-5 (House Tax 48-0-0, Lighting tax 9-9-7 and water tax 28-12-10 = Rs. 86-6-5) This was, however, accepted and a receipt was granted on 4-6-09 in the name of Mr Haji Ibrahim Sait

17. As only a part of the demand had been received, it became necessary to prepare a Memorandum of the case before crediting the recovered amount and submit the same to the Vice President for orders as to whether the water tax might be altogether omitted from the demand for the year 1908-09 Pending the submission of the Memorandum, the amount was, as usual, left in the Treasury under suspense

18 Owing to pressure of work in the month of June, which was very heavy the papers bearing on the subject, some of which had to be obtained from the Collection Branch and some from the records of the Head Office could not be readily secured for preparing the Memo and since the amount was under suspense, the preparation of the Memo was not considered urgent

19 Krishnappa, the shanbhog of the Division, had been on special duty serving notices and helping Narsingappa in collecting taxes in the B-Block of the III-Division where the outstanding balance was very heavy The collection work in that Division, which was one of the 7 Divisions under my charge, was going on very briskly and I had to [illegible] have helped me in preparing the Memorandum above referred

to since he was aware of the full circumstances of the case having been the shanbhog of that Division (I-Division) for some years past, was not also readily available

20 After the close of the accounts for June, the Shanbogs of all the Divisions were busily engaged in preparing the Kulawar Baki Patties and statements of irrecoverable balances ordered for inspection by the Vice President This item had by this time escaped from my memory and I noticed it only when scrutinizing the Baki Patty I immediately asked Krishnappa to prepare statement of irrecoverable items so that I might without further loss of time place the matter before the Vice President

21 Before I could complete the work on hand and place the papers before the Vice President, information appears to have been furnished to the acting Collector who forestalled me by reporting the matter to President direct without even asking me for the reasons of delay in this case though there were such instances (Vide statement submitted by the Collector to the President in answer to the Vice President's Order calling for a list of suspense items pending adjustment in the early part of September 19 09) in regard to the items collected in the Divisions under his charge and kept under suspense for months past without adjustment and though practically this was the common procedure in vogue in all disputed and doubtful cases

22 The sum of Rs 18-3-3 referred to in the 2nd case was recovered by me and the shanbhog of another Block on 18-6-09 Krishnappa the shanbhog to whom this block belong having been on special duty elsewhere as already stated above he had been permitted to attend office twice a week if necessary This amount could not be credited before giving intimation of the recovery to the [illegible] for not in his Baki Patty He attended office on [illegible] and sum was handed over to him for being credited [illegible]

23 I respectfully beg leave to state that the collections made by me both at the time I acted as Collector and while I remained in special charge of the collections of half the City were the largest on record

My attention having been fully confined to making as much collection as possible in view of reducing the heavy outstanding balances of several previous years before the close of the official year I lost sight of the adjustment of the suspense items since I considered them as good as recovered and what remained to be done in those cases were merely a transfer of figures in the books from one head to another The failure on my part to get the suspense items adjusted was to a large extent due to the high pressure under which I had to get through the work of 3 important branches at the fag end of the official year under peculiarly trying circumstances

24 The methods adopted by me were in conformity with the practice of the office all along to credit items to proper heads at their final stages I beg that in the event of the procedure being considered irregular, I may be excused for having perpetuated a long standing practice during the short period, I was on special duty in addition to my legitimate work as Manager

25 I may also mention here that I completed the inspection of houses in 5 Divisions preliminary to the Jamabandi for the year 1908-09 during the time I acted as Collector -an item of work which was peculiarly trying to an active incumbent like me in the then condition of the Collector's Office

26 The accounts looked into by the Auditor relates to period of 4 years commencing from July 1903 up to end of August 1907 i e the period during which I was the head Accountant of the Municipal Office His examination does not go beyond that date as by that time I had been appointed to act as Manager which post I held till [illegible]

2

for a period of 27 months The observations made in the Audit Report are with reference to Extension Accounts and the Acquittance Rolls of the Head Office and the Conservancy Department.

27 As regards the Extension accounts, I beg to state that the records and registers relating to the acquisition of lands for the formation of the Extensions, the allotment and sale of sites thereat, the recovery of the site value from the purchasers and allottees and its credit to Treasury were being looked after by 2 Deputy Amildars assisted by Clerks specially sanctioned for the purpose by Government under the supervision of a Revenue Assistant Commissioner till the end of June 1903 This special establishment having been abolished with effect from 1st July 1903, the entire records connected with the extensions were sent in heaps to the Municipal Office in carts and left in the veranda of the Municipal Office

28 Notwithstanding representations to the effect that the legitimate work of the Account Branch of the Municipal Office would suffer if no additional help was given to arrange and sort the records, this extra work was thrust upon the existing staff in addition to plague work which had preceeded this in almost a similar manner

29 The preparation and compilation of the annual accounts and the statistics for drawing up the Municipal Administration Report of the year that had closed having by this time fallen due, no attention was paid to the sorting and arrangement of the records newly transferred from the Bangalore Taluk till about the end of that year In the meanwhile the accounts of the Extensions due to Comptroller had also fallen into arrears for some months for want of information and hands In the confused state of circumstances explained above, and owing to pressure of other work the amounts recovered on account of sites at different times had been deposited in the

Treasury Cash Chest. A reference to the Deposit Register of the value of sites will bear out x the above statement.

30. The practice of placing the amount in deposit was adopted as in many instances the auction purchasers failed to produce ~~xxxxxxxxx~~ the 25% of the purchase money as soon as the sales were concluded or the balance of the purchase money within 15 days from the date of sale in accordance with the conditions of the notifications of sale.

31. The strict enforcement of the conditions of sale Viz (1) the re-sale of the sites at the risk of the first purchaser for non-payment of the 25% of the sale amount & (2) the forfeiture of the 25% and the disposal of the site otherwise for failure to pay the balance of the site value in 15 days, was considered hard and inexpedient as such a step was likely to scare away the intending purchasers & discourage people from coming forward to buy sites in the Extensions. On the other hand all possible facilities were afforded to people for making the Extensions popular by relaxing the rules as far as possible. The non-official purchasers had not the benefit of paying the site value in 36 instalments and hence they were dealt with leniently by accepting payments as tendered by them. All sums thus recovered from the purchasers used to be kept in deposit duly entered in a Register opened for the purpose and finally adjusted in the accounts later on.

32. I shall, however, try to explain the circumstances in the cases noticed as far as I can remember although I have been out of touch with the registers of the account branch for the past 27 months

33. Prasanna Chari purchased 2 sites Nos. 213 & 214 for ₹248 on 30-4-06. He paid ₹62 on the same day perhaps in the evening after the Treasury had been closed. The 1st and 2nd being busy working days, ~~xxxxxx~~ auditing the establishment pay bills and writing out cheques etc., the amount Viz., ₹062 was sent to the Treasu[illegible] on 3/5/06.

The balance Viz., ₹186 was due on 15-5-1906 according to the condition of the sale. But the party tendered ₹150 on 2-7-06 (late by 2 months and 2 days) in part payment and the remaining sum viz., ₹36 on 27-5-07 (late by 1 year and 27 days) Since the 1st amount was held in deposit, the 2nd also was placed under the same head. No attention was then paid for transferring the deposit items to proper heads owing to pressure of work which is very great in that part of the year. After the annual accounts and the Municipal Administration Report for the year previous were submitted to Govt in the latter part of Septr 1907, the adjustment of deposit items was taken up during the Dasara Holidays of the year 1907 and completed.

34. An application from one Mr. K. Sreenivasa Rao was presented together with ₹80/- to the Vice President towards the value of site No. 89 in the VIII-Block of the Basavangudi Extension. The petition with the money was directed to me by the Vice President. I acknowledged the application and the money on a loose acknowledgment slip presented to me by the applicant. This is the receipt referred to by the Auditor as having been signed by me. On a reference to the D.C.B. account of the Basavangudi Extension before crediting the amount it was observed that only ₹9 were due towards the value of the site in question Doubts arose as to how such a large sum as ₹80/- came to be tendered on this account. The papers transferred from the Bangalore Taluk which were lying in great confusion as already stated had to be sorted for the solution of this question Owing to pressure of work connected with the election of Municipal Commissioners that was then to take place, the disposal of this matter was not taken up. Soon after the elections were over, I was detailed by the then President for special work in connection with the sorting and disposal of old papers While on this duty I ascertained from the Sale Register and other papers that the site in question had been sold in the

original allottee had died before paying the full dues It was also observed that the sale conducted by the Taluk Authorities had not been confirmed On writing to the Amildar of Bangalore Taluk subsequently it was gathered that the site in question with the building thereon was sold towards the balance of house building advance which the original allottee had drawn but died without fully paying it Thereupon the sum required to close the site value account Viz , ₹9 was withheld and ~~xx~~ credited to proper head and the balance Viz ~~xxxx~~ ₹71/- sent to the Amildar of Bangalore Taluk together with the records connected therewith The question as regards the confirmation of the sale is pending in the Bangalore Taluk to this day As the matter was under correspondence, the amount was as usual kept in deposit

35 The purchasers of sites Nos 83 & 84 in the III-Block of the Basavangudi Extension paid 25% of the sale amount on 10-4-06 and not on 6-4-06 as observed by the Auditor This was placed in deposit pending orders He brought the balance Viz , ₹69 on 11-5-06 instead of on 21-4-06 The party was taken before the President for orders He was told that as he was a defaulter both in respect of payment of the 25% on the date of sale and the balance of the purchase money, ₹23 that had been paid by him would be credited to Extension Funds and forfeited to Govt and the sites re-sold at his risk for default The order was noted and the amount Viz , ₹23 which was under deposit was credited to the Extension Funds on 11-5-06 Later on in the evening the party pleaded hard that his absence from the station on account of the illness of his relation was the main cause for the delay in tendering the amount & begged that he might be pardoned The President overlooked the delay and ordered ₹69 to be received I remember he was also told by way of threat that if he failed to commence the construction of the house and complete the same as per conditions of the scrip the whole

would be forfeited to Govt and the sites re-sold The sum of ₹ 69 having been received late in the evening, it was sent to the Collection Department for being kept in deposit. The period intervening May and September being a very busy time, attention was not paid to the adjustment of deposit items. During Dasara holidays generally this and other kindred work is taken up and completed for want of time as already brought to notice

36. The balance of purchase money Viz. ₹ 207 paid by Mr. Vypuri Chettyar on 6-5-07 could not be credited as orders confirming the sale of sites had not been passed on the date of his tendering the amount. So also in the case of Mr. Krishna Deva Naik who paid ₹ 180 on 1-7-07 and referred to in para (f) of the Audit Report Hence the sums were placed under deposits In the former case, the sale was confirmed on 9-5-07 and in the latter on 31-8-07

37. The sum of ₹ 35 received from Ghulam Md Meccai on 16-1-1904 was placed under deposit pending the orders of confirmation of the sale. The sale appears to have been confirmed on 8-2-04 Demand was made for the balance He requested for concession to pay the balance in instalments as he was a Govt employee Latterly the concession was granted and the amount was withdrawn from deposits and credited on 18-4-04

38 The deposit amount could not be credited before the order confirming the sale was passed as otherwise the procedure prescribed for refund of credited items had to be adopted in case the confirming authority cancelled the sale on the grounds of irregularity or short bids etc Hence such sums were kept under deposits The sale in this case was confirmed on 19-1-1904 The full value was credited on 8-2-04 along with other items

39. Kadarappa delayed the payment of the balance of sale value Viz , ₹ 327 for one month and 9 days and rendered himself liable for forfeiting the Deposit paid

Pending orders of credit the amount was kept under deposit and was latterly credited on 27-2-05 after obtaining instructions.

40. The Extension papers and accounts being quite a new work in the Municipal Office and the D.C.B. accounts being in arrears all sums received on acccunt of site values were entered in a Deposit Register and sent to the Collection Treasury for being kept under deposit for eventual adjustment after gaining some insight into the previous papers. This procedure was adopted for obviating mistakes arising in the accounts by wrong credits and necessitating further references involving applications for refunds.

41. Although there was a distinct head for "Deposits" in the Municipal Cash Account, care was taken not to mix up the site value amounts which had to be credited to Provincial Funds as distinguished from Municipal Funds in the Municipal Cash Account as such a step would tend not only to swell the deposit items unnecessarily but would also make the Municipal working balance appear much larger than what it actually was and leave the Council on the wrong scent as regards the condition of the Municipality.

42. The question as to whether the sale of sites Nos. 260 to 264 (both inclusive) should be recommended for cancellation on the ground that the amounts for which they were knocked down at the time of sale was very low considering the prices of adjacent sites, was engaging the attention of the Officer who conducted the sale on 4-6-07. Hence the sum of ₹65 paid by the purchaser was not credited. The auction purchaser attended the office to pay the balance on 18-6-07. Pending the orders of the President the deposit amount was ordered to be credited to the Extension Funds on that date and it was done accordingly. The matter subsequently went up to Govt as the President declined to confirm the sale on the ground of low bids and

was

was latterly disposed of in favour of the auction purchaser after a deal of correspondence on the subject.

43. The sums of Rs59-4-2 and Rs29-10-5 payable respectively to Oblappa and Kote Munisami on account of compensation were obtained from Treasury for disbursement to parties. Both of them at first declined to receive the amounts The sums were then kept in deposit for eventually remitting the same to Court for adjudication A note to the effect that the parties declined to receive the amounts has been made in the compensation register by the/then Vice President Subsequently Kote Munisamappa and Oblappa agreed to receive the amounts originally fixed Their claims have been settled

44 The practice in regard to the distribution of pay to the conservancy establishment was as follows -

The clerk of the Health Officer used to write out the acquittance roll with reference to the nominal rolls prepared by the Conservancy Overseers and attested by the Sanitary Inspectors and send it over to the Head Office on the day of disbursement of pay in each month The pay was distributed by the shroff in the presence of the Vice President and Sanitary Inspectors in the order in which the names were called out as written in the acquittance roll After the money was put into the hands of the part concerned, the word "Paid" used to be written against the names and initialled As soon as the disbursement was over, the balance that remained undisbursed would be checked with reference to names left blank in the acquittance roll and the Vice President and the Sanitary Inspectors would leave the place after satisfying that the balance was correct The undisbursed amount would be taken by the Shroff for being kept in the Treasury and the acquittance roll returned to the Health Officer the same day

45 For a day or two afterwards, the fact that
on the last pay day would come to office

pay from the Shroff after being identified by the Sanitary Inspector or the Conservancy Overseer and the word "Paid" against such names would be noted at the time of payment Neither the undisbursed amount nor the acquittance roll of the Conservancy Department remained in the Account Branch of the Head Office A reference to the Deposit Register maintained in the Collection Department will bear out the fact that the undisbursed amount was kept in the Treasury

46. The sum of ₹38-6-8 drawn on account of pay of Komar-swami Moodr, Sanitary Inspector, has been disbursed to him and is not in arrears He may have forgotten to sign in the Acquittance Roll by oversight Since the Acquittance Roll remained in the Health Office, it was not looked into.

47 All sums noted in paras (b) t (h) both inclusive have been paid to the parties concerned as they might have presented themselves on the day following that on which the first disbursement was made in different months

48 It was in practice at the instance of the Sanitary Inspectors to withhold the pay of such of the peons that were entrusted with Cess collection work as failed to show satisfactory progress in collecting arrears of cess demand amounts In such cases, the Sanitary Inspectors was disbursing their pay after satisfying himself that the defaulting official had shown good progress in his work Cess Collector C Narayana Rao the disbursement of whose pay is observed in paras 12(d) & (f) of the Audit report to have long been delayed was found by the Sanitary Inspector to have persistently evaded, month after month, the submission of the Cess account of the II Division with the charge of which he was entrusted and his pay was therefore withheld by the Sanitary Inspector [illegible] when he was recommended by the Sanitary Inspector, the arrears of pay due to him was obtained from [illegible] where it had remained and disbursed [illegible]

presence of the then Vice President. The papers connected with this man's case may be available in the Health Department.

49. The Acquittance Roll for December 1906 and January 1907 do not show that the disbursement of pay to Cess Collector Narasimhiya referred to in para 12 (d) of the audit report, was delayed as observed by the Auditor.

50. Taking into consideration the facts that the clerk of the ~~Health~~ Health Department was the custodian of the acquittance roll of the Conservancy Department and the Shroff the person in whose custody the undisbursed amounts remained, it will be hard to make me liable for the omissions under notice.

51. Head Office Acquittance Roll.

Objection is taken with regard to the omission to obtain in the Acquittance Roll, the signature of peon Krishna Sastri for having disbursed his pay in the months of September & October 1903 and March & April 1904 I am unable to remember how this omission occurred. Krishna Sastri has signed in the acquittance roll of the subsequent months and has not complained at any time about the non-disbursement of pay, nor was any arrears claimed by him in any subsequent months. With reference to the observation made in regard to the disbursement made to peon Munisami Raju, I beg to state that when he was employed as a substitute for Krishna Sastry, I thought that he was capable of learning how to sign his name and asked him to learn it. The next month he showed that he had made an attempt to learn by signing in the acquittance roll in an illegible fashion, but in the following month he put the cross mark probably because he had forgotten what he had learnt for want of practice.

52. The acquittance roll of the garden establishment for November 1903 was at first written on some incorrect information and was subsequently altered on receipt of a correct information. Clerk Sreenivasiah who disbursed the

pay of the garden establishment in November 1903 has noted against each name the words "Paid by me" and initialled them. In the case of Muniyappa also, the words "Paid by me" are in the hand-writing of Sreenivasiah without the initials due to oversight.

53. The omissions to obtain in the acquittance rolls the signatures of one or the other of the peons of the Head Office during the months of February, March and July 1904, September and October 1905, March, April, August & December 1906 and January 1907 as also that of Aralappa in September 1906, observed in paras 13(e) to (g) both inclusive, are all due to oversight.

54. Peon Lakshmana Rao referred to in para (4) had been on leave in September 1905 and for some days in October being bitten by a snake. His pay was disbursed to his wife to avoid hardship to the family.

55. Aralappa Pillay, Record-keeper, was paid in September 1906 on his assuring that he would affix the stamp and sign the acquittance roll the following day, as he could not get a receipt stamp being too late on the pay day. This was subsequently lost sight of and the mistake remained without being rectified.

56 The required number of receipt stamps have been affixed to the acquittance roll for August 1907, but owing to want of space in the Register both Aralappa Pillay and Veerabhadra Chetty have affixed their signatures on one stamp.

57. The above, I humbly beg to submit, is my explanation for the several defects noticed by the Auditor in so far as they relates to myself. I beg leave to add that the irregularities have arisen mainly by adhering to the long-standing practice in vogue in this Office a practice which had not been taken objection to by any previous authority combined with overwhelming work on all sides, leaving little or no time to look to details.

57

As already represented , my only ambition was to collect arrears which had been allowed to stand over for more than 12 years and aiming at the realization of this object, I was forced to overlook technical details. I beg to convey my assurance that in dealing with the above cases which form only a microspic minority compared with those brought to settlement by me I was in no instance actuated by any dishonest or unworthy motive and whether I am sincere or not in this respect my hard past work and my unblemished service of 20 years under Government of which 7½ years have been in this Municipality and all along in the Cash Branch, may be kindly considered as a sufficient proof.

The Vice President is personally aware of my work and the trouble and sacrifice I was incurring during the period I was in charge of this work.

The fact that there has not been an instance of defalcation during my tenure of office during which a large sum of Rs 57,000 was collected may be also considered as an additional proof of my honesty and uprightness. In such circumstances, it is very painful for me to find that without any recognition of my hard work, I should be suspended. 58. I beg leave to leave my case at your hands and trust that justice will be done to me

Respectfully submitted.

10-12-1909. Sd. C. Ramaiya.

'Copy'

[signature]

for President

2 6

Memorandum.

As already represented, the accounts and records relating to the Extensions were received in the Municipal Office in 1903(July).

Since that work was new in this office all monies received on account of the value of sites were entered in a book temporarily opened for the purpose and sent to the Collector's Treasury for being held in Deposit. The Collector and the Shroff used to acknowledge the amounts therein and return the book for record in the Head Office. This book contains transactions which took place from August to November 1903.

2. It was subsequently deemed necessary to open a bound register as large sums were received on account of the value of sites from December 1903 and the book thus opened was in use till about the end of December 1907.

3. Three of the items objected to by the Auditor are amongst the entries contained in the 1st Deposit Register. I have shown these items when the register was given to my hand on 1-2-1910.

4. The rest of the items objected to being those that were received subsequent to December 1903, are entered in the 2nd Volume. The transactions entered in this volume were being regularly scrutinized and signed by Mr. A S. Nagavkar and his successor. If that book is perused, all the remaining items will be traced.

Respectfully submitted.

3-2-1910. Sd C. Ramaiya

'Copy'
Municipal Commissioner
for President

Memo

1 In order to explain the items noticed by the Auditor, I called for the Deposit register referred to in my explanation Since I found it hard to explain the various items of transactions without that register and as the explanations had to be rendered without loss of time I got the book just shewn to me, prepared from the receipt books and remittance register in the middle of September 1909 for ready reference

2 This book was intended mainly to serve for the time and for the purpose of giving explanation readily pending the receipt of the properly kept book from the office

3 As I was placed under suspension soon after this I had no opportunity to search for and secure it.

4. The Deposit Register which is now caused to disappear bore the attestations and acknowledgments of the officers as is the case in the paper book which latter probably escaped notice and providentially discovered for me

5 The Deposit Register I had maintained had been in the same form as the paper book This paper book was found in the course of search mixed up with the old D C B accounts and the records of the Extension tied up in a daftar I am not able to account for the disappearance of the bound book since I had not been in touch with the registers of the account branch for 27 months prior to my suspension nor was there any occasion for me to think of that book in particular

6 While disinfecting the office consequent upon the de-mise of the Record-Keeper on account of Plague, all the records and registers had been taken out and kept in the verandah for some days and thence removed inside

10th March 1910, Sd/- K Narayana

Copy

Abdulla

Ag President

Read -

(1) The Audit – Report of the Municipal accounts for the months of June and July 1909.

(2) Vice President's Memo. dated the 29th September 1909.

(3) The explanation of the late Manager Ramaiah

(4) The opinion of Messrs D. Venkataramayya and C Krishnamurti Advocates & Municipal Councillors, dated the 12th January 191[illegible]

(5) The record of further enquiry held by the Vice President

12 ooooooooooooooooooooo------

ORDER THEREON.

The Audit report deals with various items connected with the Municipality For convenience of reference, they are transcribed in the form of a statement numbering 1 to 32 Of these, Items Nos 8 to 27 have direct bearing on the conduct of Ramaiya as acting Collector, Manager and Accountant The Municipal Auditor considers them to be defalcations

The charges against Ramaiya may be summarized as follows -

(1) Delay in crediting Items Nos 8 to 11 These are House taxes recovered and credited as particularized below

Item No	Amount Rs A P	Date of Receipt	Date of credit.	Period of delay Year	Month
1	2	3	4	5	
8	43-3-3	4-3-1909	22-7-1909	0	4
9	13-13-0	13-3-1909	15-6-1909	0	3
10.	57-9-7	4-6-1909	Held in deposit		
11.	18-3-3	20-6-1909	28-6-1909	0-	0

(2) Delay in crediting certain items of site value as follows

Item No.	Amount Rs.	Date of receipt	Date of credit.	Period of delay. Year.	Month	Days.
1.	2	3	4	5		
12.	Balance of Rs 132.	26-3-1906	25-10-07	1	6	29
13.	186	2-7-1906	25-10-07	1	3	23
14.	80	22-1-1904	22-9-1904	0	8	0
15.	23(a)	6-4-1906	11-5-1906	0	1	5
16.	69(b)	11-5-1906	31-10-06	0	5	20
16.	207	6-5-1907	25-10-1907	0	5	19
17.	180	1-7-1907	do	0	3	24
18.	35	16-1-1904	18-4-1904	0	3	2
19.	30	12-12-1903	8-2-1904	0	1	26
20	27	19-1-1905	27-2-1905	0	1	[illegible]
21.	140	15-8-1903	17-9 -1903	0	1	2
22.	125	18-9-1903	14-10-1903	0	0	27
23	70	15-8-1903	3-9-1903	0	0	18
24	65	4-6-19 7	18-6-1907	0	0	1[illegible]

(3) Failure to account for the disposal of [illegible]29-1)-[illegible] and [illegible] 69-14-2 drawn on account of compensation [illegible]

(4) Omission to obtain proper acknowledgments in the disbursement of salaries to Municipal servants.

3 Ramaiah was placed under suspension on 1st October 19[illegible] pending further enquiry into his conduct on the [illegible] Vice President in respect of charge No 1 and the opinion of Advocate Councillors Messrs D.Venkatarama, [illegible] was obtained as to what further action should be taken in the matter. Their opinion was received

text is given below.-

" On carefully reading the papers, we are of opinion that any further action taken in the matter will serve no useful purpose.

" The facts taken as a whole disclose more a case of irregularity than any of criminality. The fact of maintaining a deposit register and entering in it unadjusted payments of money from time to time, seem to have been condoned and encouraged by Departmental Superiors. But beyond making that act irregular, it will not make it criminal.

" Perhaps, it may be said that in as much as the Shroff does not now admit that the Manager Ramaiya, excepting once, did not deposit any money in the Cash Chest, the explanation of the Manager Ramaiya may be taken to be false But, we think at the best, it may be one statement of the shroff as against another of the Manager. Possibly under a severe and close cross-examination of the Shroff, it may be brought out that he is prejudicial or biased against the Manager-expecially considering the strained relationship of both the Manager and the then Collector Krishna Rao, under whom the Shroff was working at the time when he made the statement to the Vice President.

" We are therefore constrained to say that under the circumstances that no further action need be taken and if taken notwithstanding, it will not produce any useful and effectual result".

4. In the light of the above expert opinion, I proceed to deal with the 4 charges against Ramaiya, seriatum.

(I) Excepting the sum of Rs 18-3-3 in crediting which there was a delay of 8 days due to the shanbhog's remitting the collection twice a week, the delay in crediting the other 3 items requires explanation. Ramaiya admits the delay, but explains that it was due to the pressure of work and that the items in question had been kept with the Shroff in the Collector's Treasury under "Suspense Account". The Shroff supports Ramaiya in saying that he had kept the Rs 13-3-3(Item No 8) in his possession for

some time, but denies having had anything to do with the other sums. He further states that the register containing the suspense account had been mislaid i. e. that there was no register from 25-8-09 to 7-6-09 and that the sum referred to could not be shown thereon. On closer examination, the Shroff added that in the interval when the old Register (A) had been mislaid and the new register (B) hot been opened, he received some items & gave them back according to the existing practice.

9. In the absence of the entries of these items in the suspense account register to evidence their deposit, a question naturally arises as to whose statement is entitled to greater credit-whether the statement of Ramaiya or that of the Shroff.

To arrive at any conclusion on this point the circumstances that gave rise to the enquiry have to be taken into consideration. Thanks to the Municipal Auditor for the trouble he took in bringing the irregularities to light, but the mode in which they have been exposed is *unknown*. The delay in credting the 4 items under enquiry was bound to come out sooner or later, as Collector Krishna Rao had been ordered to go through the kulawar Bakipatti after the close of the year.

If there was no want of feeling between him and Ramiya, this matter should have been first taken to the notice of the President in the usual course. Unfortunately, the employment of Ramaiya to ascertain the extent of the defalcation committed by Shanbhog Rangappa and the inevitable discovery of the culpable negligence of the Collectors concerned Viz., Ramachandra Rao and his brother-in-law Krishna Rao seems to have excited the jealousy of the latter against the former. Krishna Rao appears to have spared no pains to find out the present and the past irregularities of Ramaiya and expose them through his friend the Municipal Auditor.

The next 3 charges bear out my supposition fully. These relate to anterior periods when Ramaiya was Accountant i. e. from the year 1903 to July 1907 and no further. Surely, the auditing Councillor whose term of audit was continued to 3 months would have had no information to probe into these past items

unless and until some official or officials that had special knowledge thereof supplied him with the same.

Taking the relationship between Krishna Rau as Collector & Shroff Ramaiya as his immediate subordinate into consideration it is not altogether unlikely that the latter is unwilling to speak out the truth fully in the matter of the deposit of the items under reference under Suspense Account-partly owing to influence as opined by the Advocate Councillors and partly through fear of implicating himself.

Another fact that may be taken into account in judging the conduct of Ramaiya is the discovery of the heavy defalcation committed by Shanbhog Rangappa and his conviction in Court-which facts must be quite fresh in the memory of all Municipal servants. It seems therefore rather improbable that Ramaiya would dare commit similar offence especially at a time when he was appointed to investigate the extent of the criminal misappropriation in the Accounts office

As there are not sufficient grounds to institute criminal proceedings, I would give Ramaiya the benefit of doubt in regard to these 3 items of delay.

(2) The delay in crediting the several items of site value under this head is explained by Ramaiya His allegation that the items in question had been kept in deposit does not seem to be altogether unfounded, for, he has proved that items Nos 21,22 & 23 were held in deposit as per Register No I This temporary register contains 37 items from 15-8-03 to 12-11-03 and each item bears the initials of the then Vice President Mr Palpu Ramaiya asserts that the other items had been similarly kept in deposit and that they were shewn in a separate bound register maintained for that purpose and signed by the officers in charge of the Municipal Office But this register i e from 12-12-03 to end of December 1907 is not forthcoming

Head Accountant Subba Rao who succeeded [illegible] July 1907 states that all sums received for deposit were [illegible] to the Collector's treasury will only [illegible]

actice, being found inconvenient, he opened a small register on 26-2-1908 that this system is being continued and that he is not aware of the existence of the register referred to by Ramaiya.

Now the points offering themselves for solution are two -

(1) Was there such a Deposit Register as referred to above?

(2) Who could have caused its disappearance, if it existed, and with what object?

Since the opening of the Extensions, various sums of money seemed to have been received every day in the Municipal Office by the Head Accountant and these are alleged to have been kept in deposit in the Collector's treasury The Head office should have been absolutely without any voucher for having placed the money in deposit if no acknowledgments were obtained from the Collector either in a register or by means of a chalan The double chalan system does not seem to have been in force It may therefore be presumed that a register of the kind referred to by Ramaiya had been maintained

Then comes the question-Who could have caused its disappearance? The closest enquiry until now has thrown no light on this point It cannot be said that none of the officials in the Head Office or in that of the Collector knows anything in the matter Their long stay and close association in one and the same office seems to have had the unwholesome effect of deterring them from disclosing the truth

Could the successor of Ramaiya Viz Subba Rao, have caused the disappearance of the book out of self interest to ensure his position as Head Accountant, or, Manager Krishna Rao, out of spite against Ramaiya? Subba Rao is thoroughly incapable of committing such a grave irregularity, and in the absence of satisfactory proof, it seems unfair to suspect Krishna Rao in this connection

Another phase of the question is-Could Ramaiya have had a hand in the disappearance of the Register [illegible] presupposes that Ramaiya would have been put [illegible] crediting the several su[illegible] f [illegible] and t[illegible]

succeed in cleverly imposing upon the then President and the Vice President to sign the deposit register without noticing the delay. This appears to be a little too much to presume. Moreover, Ramaiah's action in opening a separate book on reference to the receipt file and the remittance register showing the dates of receipt and deposit for the period to which the disappearing register related gives no room for such a conjecture.

The enquiry so far having failed to trace the register, Ramaiah's explanation that the several items of money had been held in deposit cannot be discarded in the absence of strong proof to the contrary.

(3) These 2 sums of money-₹29-10-5 and ₹59-14-2 were the amounts of compensation awarded in respect of land acquired for the Main drain in the year 1907. They were due to one Kote Munisamappa and another Oblappa respectively. The amounts were drawn on 10-1-1908 on the bill countersigned by the Sanitary Engineer & offered to the parties by the then Vice President Mr. M.G.Krishnaswami Rau. Both of them declined to receive payment on the ground that the compensation was inadequate. But they seem to have changed their mind subsequently as they have received the money Munisamappa alleges that he received payment in the Taluk Office and gave a receipt therefor, while Nagappa, on behalf of his undivided brother Oblappa, states that he took the money in the Municipal office when Mr Krishnaswami Rao was the Vice President and that he remembers to have given a receipt. Munisamappa's receipt is duly attested but not filed. Nagappa's receipt is not forthcoming in the records. Once again, Ramaiya explains that there was such a receipt in the file bearing on the subject. This is being investigated. The records connected with this compensation question had to be searched for and obtained after some months' delay. All these circumstances taken together do not enable me to say that the dealings in this case are above board. However, as the parties have admitted having received the amounts, no further action called for.

(4) The irregularities noticed in the matter of the disbursement of pay could have been avoided with more care on the part of Ramaiya and the other officials concerned There seems to be no complaint of non-payment by any of the officials enumerated in the list Besides, 2 of them are reported to be dead If there was any ground for real complaint, it cannot be that the parties affected would have remained quiet so long

5 It will be seen from the above that there was no defalcation of any Govt money Delay there was in crediting several items and this, as explained by the Advocate Councillors, amounts to an irregularity owing to the system then in force of maintaining temporary Deposit Registers for unadjusted sums of money

6 In the interest of the Municipality, I should not for a moment have hesitated to make an example of Ramaiya by ordering his criminal prosecution, if there were grounds for doing so His conduct, however, deserves departmental notice

I have given him only the benefit of doubt in respect of Charges 1 & 3

As Ramaiya who was Manager on Rs 70/- reverts as Head Accountant on Rs 60/- owing to the appointment of a separate man as Collector, I think the suspension he has already undergone until now i e for seven months, is sufficient to teach him a lesson and to have a deterrent effect in the case of the other Municipal servants I, therefore, direct that Ramaiya be re-instated with effect from the 5th May 1910 Early opportunity will be taken to remove him from the Municipality Meanwhile, his conduct will be watched and he shall have nothing to do with money transactions in the Municipal Office

Dated the 29th April 1910

Sd. B J Kumarasvami Naik,
President

"Orl"

President

Read -

(1) Mr Karnick Krishna Murti's Audit Report for June and July 1909

(2) Manager Ramaiah's explanation

(3) and the Vice President's Memo

O P I N I O N.

On carefully reading the papers, we are of opinion that any further action taken in the matter will serve no useful purpose

The facts taken as a whole disclose more a case of irregularity than any of criminality The fact of maintaining a deposit register and entering in it unadjusted payments of money from time to time seem to have been condoned and encouraged by the Departmental Superiors But beyond making that act irregular, it will not make it criminal

Perhaps, it may be said that in-as-much as the Shroff does not now admit that the Manager Ramiah, excepting one, did not deposit any money in the cash chest, the explanation of the Manager Ramiah may be taken to be false But, we think at the best, it may be one statement of the shroff as against another of the Manager Possibly under a severe and close cross-examination of the Shroff, it may be brought out that he is prejudicial or biased against the Manager-especially considering the strained relationship of both the Manager and the then Collector Krishna Rao under whom the Shroff was working at the time when he made the statement to the Vice President

We are therefore constrained to say, that under the circumstances, that no further action need be taken, and if taken notwithstanding, it will not produce any useful and effectual result

19-1-1910

COPY

1 The P. W. D Sub-overseers draw a horse allowance of Rs 15/- a month Their Certificates show that they have kept Cycles In the Health Department such of the Sanitary Inspectors who keep Cycles are paid Rs 10/- a month The rule seems to be that those who keep horses should get Rs 15/-, while those who keep Cycles Rs 10/- only So these Officials drawing Rs 15/- seems to be irregular

2 There is no plague in the City at present. Nevertheless, destruction of rats is not stopped Nearly Rs 500/- is spent on this head every month Is such a heavy expenditure necessary even when there is no plague?

3 It seems that the pay of the permanent gang is drawn every month on the 16th or 17th, and disbursed till the 25th. It is very unfair Arrangement should be made to pay these poor servants as also the Municipal Sweepers within the 5th of every month as in the case of other Servants at least during the present season of Scarcity.

nil	The D. P. W Subordinates get on with their work equally well with bicycles There seems to be nothing objectionable in this, as this has been in practice from the year 1907.
nil	This is purely a technical matter the Auditor could well have saved himself the trouble of offering his opinion on the subject
"	no unnecessary delay is allowed to occur in this respect.

4 Voucher no 163 dated 29 6 09 Shows payment of Rs 26-10-- on account of the balance of the value of clothes purchased for distribution to the recipients of Langarkhana Charity. When were the clothes purchased? Why was payment delayed so long? These details are required

5 Voucher no 215 refers to the purchase of Khaki drill It Shows that the Estimate was for Rs 499/- that out of which Rs 447-5-0 was paid for water-proof Khaki-drill, and Rs 4/- for Screen ribbon and Rs 9-9-6 (voucher no 308) for — Canvas For what purpose the purchase was made and why the Cost exceeded the Estimate and why the matter was not placed before the Council is not known

on account of Clothes pur-
ses for distribution among the
ugarkhana Charities was due to
t Owing to his absence from town
ut was not drawn He came -
demanded payment. A Cheque was
but has been held back under the
ice President No Expenditure has
incurred The Cheque remains

d inconvenience attendant on
Havaths at unusual hours from
stors for making pardah arrange-
allway Stations during the visits
nesses the Maharanees and the
-as considered necessary to get
and keep them in readiness in the
town There was no necessity to place
fore the Board as the amount
in the powers of the Sanction of the
Expenditure has not exceeded the
and as observed by the Auditor

If the amount is
found to be due, it
will be paid or the
Cheque will be cashed.
if not, it will be
cancelled and due
intimation given to
the treasury The
party is reported to
be absent

There will be
savings in the long
run

voucher no 310 for Rs 400/- and no 311 for Rs 150/-
These two vouchers show that Rs 400/- on account
of uniforms to the Office peons and Rs 150/- on
account of clothes for the Langarkhana people
drawn and kept in deposit. Where was the
necessity for keeping such a large amount
in deposit? There was no Expenditure during
the year in the budget for which it was provided.
The object of drawing the money and keeping
it in deposit in this way at the end of the
year is not known I am of opinion that the
deposit account itself is not properly kept.

7 Cheque no 14 refers to the drawing of the
Vice President's pay at Rs 500/- plus Rs 14-8-3/-
(from 23rd to 31st May on account of the in-
-crement of pay sanctioned) There is no provision
for this in the Municipal Budget The Council
has not sanctioned it The procedure seems to be
irregular When there was a full-time President
the pay was only Rs 500/-. Now, we have to pay
Rs 650/- Do we require such a highly paid
Vice President?

...ress of the arrangements made for the supply of clothing to other menial servants of the ... y and for the usual distribution and garbhana men the amount the purpose was drawn and held penditure when necessary. The unt is regularly maintained and Comptroller every month along returns.

The amount has since been expended. It is generally in the month of June that Clothing is furnished to the Office bearers as well as the members of the Durgarbhana.

No remarks

8 At the last months meeting, I had informally made known to the Council that having come to know that the amount sent by messrs Sawkers Sons of Madras on 3 3 1909 was not credited I opened correspondence with them on 3 8 1909 Subsequently ie, on the 23rd idem, the amount was credited

9 Although one PandeRanga Narain Potnis sent by moneyorder Rs 13-13-0 on 11-3-1909, a notice of demand was issued to him on 2 6 1909 His brother having informed me of it I made enquiries in the Municipal office Subsequently, ie, on 16-6-1909, the amount was credited

10 A Sum of Rs 57-9-7 paid by Mr Haji Syed Usman Ebrahim Sait in the 1st Dn, Block B, on 4-6-1909 Still remains not credited.

11 Also Rs 18-3-3 paid by Rev Goodwill on 26 6 1909 was credited on 28-6-1909 I communicated this to the President by means of a letter on 9-8-1909

result of Checking the Register of the Sale of Sites in the Basavanagudi Extension

---

12 Sites nos 70 71 and 73 were sold to one Sibbarayu for Rs 183/- on 12 3 1906 The deposit of Rs 50/- paid by him on that date was credited 3 days after The balance of Rs 132/- which was received on 26 3 1906 was credited on 25 10 07 There was a delay of 1 year and 7 months in Crediting Rs 132/-.

13 Sites nos 213 and 214 were purchased by one Prasanna Chari in auction for Rs 135 + 113 = 248 on 30 4 1906. The deposit of Rs 62/- received from him on that date was credited on 3 5 1906 out of the balance, Rs 150/- was received on 2.7 1906 This, together with the remaining balance of Rs 36/- viz 186 Rs, was credited on 25 10 1907 There was a delay of one year, 3 months and 23 days

14 One Krishnaji Narasimha who had taken up Site no. 89 in Block no VIII, died without paying the house-building advance The site was therefore put to auction one Mr K Srinivasa Rao, purchased it Out of the Sale value, he sent Rs 30/- with a letter to the Vice President on

on 22-1-1904 The receipt of the amount was acknowledged by C Ramiah But it was not credited. Afterwards, the amount was somehow credited on 22-9-1904 as the entries in the Receipt book show There was a delay of 8 months in crediting this amount

15 Sites nos 83 and 84 in Block III, were sold for Rs 92/- on 6 4 1906 The deposit of Rs 23/- received on that date was credited on 11 5 1906 ie, after a delay of one month & five days The balance of Rs 69/- which was received on 11.5 1906 was credited on 31 10 1906, after a delay of 5 months and 20 days.

16 Sites nos 140, 142 and 143 were purchased by Mr Varyapuri Chetty for Rs 307/- on 20 4 1907 The deposit of Rs 100/- paid by him on that date was credited on the same date The balance of Rs 207/- which was received on 6 5 1907, was credited on 25 10 1907 ie, after 5 months and 19 days

17 Sites nos 238 239 and 240 were purchased in auction by one Sundararaj Annamalai for Rs 241/- on 15 6 1907 Deducting the deposit of Rs 61/- received and credited on the date of sale, the

the balance of Rs 180/- which was received on 1 7 1907 was credited on 25 10 1907 after a delay of 3 months and 24 days

18 Sites nos 28 and 29 were purchased by Gulam Mahomed Meeran for Rs 137/- on 16 1 1904 the deposit of Rs 35/- received on that date, was credited on 18-4-1904, after a delay of 3 months and 2 days

19 Sites nos 210 and 211 were sold to one Narayanamma for Rs 112/- on 12 12 1903 She paid a deposit of Rs 30/- on the same date The deposit as well as the balance of Rs 82/- was credited on 8 2 1904 The deposit was thus credited after a delay of one month and 26 days from the date of payment The sale having been confirmed on 19-1-1904, the amount was credited 20 days after the confirmation.

20 Site no 97 in Block III was purchased by one Kaderappa for Rs 40/- on 10 12 1904 The deposit of Rs 13/- paid by him on that date was credited on 14 12-1904 The balance of Rs 27/- received on 19-1-1905 was credited on 27-2-1905 after one month and 9 days.

Bungalow Site no 9/2 was sold to one Abdul Gaffur for Rs 560/- on 15-8 1903 The deposit of Rs 140/- paid by him on that date as well as the balance of Rs 420/- was credited on 17-9-1903 Crediting of the deposit was delayed one month and 2 days

22 Site no 11/3 in Block IV, was purchased by one Syed Gows for Rs 497 on 19-9-1903 The deposit of Rs 125/- paid by him on that date was credited on 14-10-1903, after 24 days

23 Site no 2 in Block IV was purchased by Mr Ponniah for Rs 270/- on 15-8-1903 The deposit of Rs 70/- paid by him on that date was credited on 3 9 1903 after 18 days' delay

24 Sites nos 260 to 264 were purchased by me (Mr M K Krishnamurthi Rao) for Rs 24 ap on 4-6-1907 The deposit of Rs 65/- paid by me on that date was credited on 18-6-1907 after 15 days' delay.

Result of Checking the account relating to Compensation

25

Hobli Munisamy Rs 29 10 5

Oblappa 5-9-14-2

These amounts have been drawn from the Treasury, but not paid to the parties concerned. When they were drawn and when they are kept cannot be known.

26 Conservancy-Supplemental Bill

November Kumaraswamy Mood^{y} - Rs 3 8 6 8. only the receipt stamp is affixed, but no Signature of the Official in the acquittance Roll for having received payment

		R a p
January 1907	Narain Rao - Allowance	1-2-7
	Naram Prasad - do -	0-6-2

These items do not seem to have been disbursed.

December 1906	Naram Rao - allowance	1-8-0
	Narain Prasad "	0-8-0

No Signature in the Acquittance Roll these amounts do not seem to have been disbursed

December 1906 and January 1907

The Salaries of Narasimah and C. Naram Rao for these months drawn in the respective months are noticed to have been paid to them on 9-9-1907 It is not known where the money was till then

February Sweeper Raghava's pay Rs 6/-

no Signature

March, April, May, and June 1907

Pay of Naram Rao found to have been disbursed to him on 27-8-1907 It is not known where the money was so long.

June 1907 III A Division, Venkatasubbiah Rs 7-8-0

VI - do - Krupal Singh 7-8-0

Slaughter House Sweeper Veerabhadrappa 4-10-8

No Signatures in the Acquittance Roll

July 1907 Pay of Naram Rao - Rs 6 paid to him on 27-8-1907 where the money was till then is not known

I Division - Kolar Munn - Pay Rs a p 0-15-6

@ Rs 6/- per month.

No Signature and no remark

Head Office Acquittance Roll

September 1903	Peon Krishna Sastry pay Rs 6/
	No Signature
October 1903	do — do - Contains the
	remark paid by me "H S"
November 1903	Munusamy Raju acting for
	Krishna Sastri. There is the "x"
	mark with the entry mark
	of Munusami Raju"
December	Munisami Raju pay Rs 6/-
	There is Munusami Raju's own
	Signature in Kanarese as G
	Munusami Raju.
January 1904	Munusami Raju pay Rs 6/-
	There is the 'x mark with the
	entry that the mark is of
	Munusami Raju.
February	Munusami Raju pay Rs 6
	no Signature
March	Krishna Sastri Rs 3-1-6
	— do —
April	— do ——— : Rs 6-0-0
May	— do — Rs 6-0-0
	There is Krishna Sastri's own Signature

January	Munisami Raju pay for 16 days Rs 3 1 7 He has himself signed
November 1903	'Gardeu Mennsami' is struck off and altered to 'Muniyappah' pay Rs 3 9 7 is struck off and changed to Rs 4/- There is the entry Paid by me" It is not known whom "me" indicates
February & March	Krishna Sastri – no Signature in the Acquittance Roll.
July 1904	Kariyappa, peon – pay Rs 7/- No Signature
September 1905	Lakshmana Rao, peon pay Rs 7/- – no Signature – do – Rs 0-14-5 There is the remark "Paid to his wife.
March 1906	Gowa Peer, pay Rs 0-4-7 no Signature Munivenkata pay Rs 2-14-5 – do –

	Head Gardener Devappa-pay 0 12-10 no Signature
August	Munusamy, Pay Rs 7 no Signature
September	Aralappa Pillai There is his mutual, but no Stamp
December	Jacob and Kala No signature in proof of disbursement of pay
June 1907	Head Office Kempa-pay Rs 7- No signature
August 1907	Veerabhadrachetty-pay Rs 30-, Aralappa Pillay-pay Rs 25- The Signatures of these 2 are on one stamp

28 That all the menial servants including sweepers should be taught to write their names and induced to take their pay only on putting their Signatures to prevent fraud

29 In re mis appropriation of Scavenging Cess

...wough overhauling of accounts is necessary

31 Infusion of new blood to reform the Office by introducing the System of accounts in force in Taluks with necessary responsibilities and supervision.

32 An Expenditure of Rs 17284/- has been shown under Municipal D P W in the account for June Since this department in the absence of a responsible Engineer is entrusted to an overseer, unnecessary expenditure may have occured for want of proper supervision, and it is a matter in which I have no experience

This is being done at the instance of the President long before the Auditor thought of it.

— ✍ —

An Engineer has since been appointed The Auditor could well have taken the trouble of quoting Concrete instances, if any instead of indulging in imaginary remarks

PRESIDENT, MUNICIPAL COUNCIL
BANGALORE CITY

2 5 1910

51

20 |

274/07

File No 8077

Serial No 22

No of letter replied to 8077

No 10422
ml80-07-22

and Revenue Secretariat
(Municipal)
, the 190

To

The President,
Bangalore City Municipal Council.

Dy 21.5.10

of issue 21.5.10

Signed by M.V.K.M

Sir,

Referring to your letter No 2098 dated 4-5-1910 submitting a report in regard to the alleged defalcation of municipal revenue by C. Ramaiya, late Manager of the Municipal Office, and stating that he has been reinstated as Head Accountant of the Municipal Office, I am directed to request you to be so good as to place the matter before the Municipal Council and submit a copy of their resolution in the matter together with the entire file of papers relating to the subject at a very early date.

I have the

Over

For Offg Secy

SUBJECT

M M S
7.5.1910

O/C

No. 55

Enclosure One file

S 1118

5

OFFICE OF THE MUNICIPAL COUNCIL,
City, Bangalore 26th August 1910.

From

THE PRESIDENT
Municipal Council,
Bangalore City

Mel 80-09
S! 30

To

The Secretary to the Government of
His Highness the Maharaja of Mysore.
General and Revenue Departments. Bangalore

Sir,

Reference -Your letter No [redacted] 80-09-22 dated the 21st May 1910, calling for the Resolution of the Municipal Council [redacted]ds regarding the re-instatement of C Ramaiya [redacted] Head accountant of the City Municipal Office

-&-&-&-&-&-&-&-&-

I have the honour to submit herewith, for the orders of Government, a copy of the Resolution of the Council dated the 30th Ultimo, approving the re-instatement of Ramaiya together with the entire file of records as per Pherist

I have the honour to be
Sir,
Your most obedient servant,

For the President

"C

3

Extract from the Proceedings of the Bangalore City Municipal Council at an Ordinary Meeting held on the 30th July 1910.

PRESENT.

M. Subba Rao Esq
Vice President.

A.K.Pani Esq
Health Officer

The Amildar, Bangalore Taluk.

ABSENT.

B. J. Kumaraswami Naik Esq
President.

The Executive Engineer,
Bangalore Division.

Municipal Councillors.

Messrs:-

D.B.Ramachandra Moodr
R. Gangiah
B.K.Garuda Char
B.Basappa
D.Adeppa
B.V.Ramaswami Chetty
Mir. Md. Gows Razvi
C.H.Krurbiegel
M.Subbiah
B. Hanumappa
Bell Sreenivasa Rao
S. Venkatarangiangar

Messrs:-

J. Bronson
C.P.Doraswami Iyer
B. Ramachandrappa
P. Ramaiya
C.Krishnamurti
D. Venkataramayya.

8. The General and Revenue Secretary's letter No. 10622—Ml. 30-09-22 dated the 21st May 1910, calling for the Resolution of the Municipal Council with records regarding the re-instatement of C. Ramaya (late Acting Manager), as Head Accountant of the City Municipal Office.

Resolution -The Council approve of the re-instatement as recommended by the President, subsistence allowance being granted under the Ccual Rules

Sd M Subba Rao,
Vice President.

"COPY"

7

President.

No. 26]

File No. 80—09.
Serial No 42

Diary No of letter replied to

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT
(Municipal)

, the 19

Date of issue 16/1/11

Signed by

READ— Letter No 1098/16-11 dated from the President, Bangalore City Municipal Council, forwarding a copy of the Translation of the audit report on the audit of the Bangalore City Municipality for the months of June and July 1909 and reporting that C. Ramaiya Asst Manager of the Municipal Office has been placed under suspension with effect from 1st Oct 1910 pending enquiry into his conduct in connection with the alleged defalcation of some items of Municipal revenue as brought to light in the course of the audit.

over

SUBJECT

(2) Correspondence ending with letter No 24984-5-1910 from the same officer submitting copies of his order regarding C. Ramaiya's explanation regarding the irregularities with which he was connected and stating that the shortcomings brought to notice in the audit report were due to the maintenance, contrary to the Treasury Rules of 2 registers, viz., one called the "Temporary Advance Register" and the other the Suspense Account Register and that these have now been discontinued.

and the pre-war order remains in force

(3) Letter No 55826-G-1910 from the same officer, submitting the entire records relating to the subject and the Municipal Council's resolution affirming the reinstatement of C. Ramaiya and recommending the grant of subsistence allowance to him under the Civil Rules.

Order thereon No 6037-40 Offg.

Recorded. MM (8-6-09)

2 Govt. observe that the irregularities brought to light in the audit report

are

GENERAL AND REVENUE SECRETARIAT

(Continuation Sheet draft form.)

are, to a large extent, due to the loose system of keeping money in Almirahs or out of account in the office cash box without the same being entered in the Cash Book. The system is a faulty one and should be immediately put a stop to. The Pres^{dt} should also see that all cash received in the Munsif's Office is promptly accounted for and brought into the Cash Book and that the Pres^{dt} himself every day checks the cash in the office box without the same being brought to account.

and lodged in our custody

Secretary

The Pres^{dt}, Bangalore City Municipal Council, restoring the records of Collectors & Controller.